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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLV, No. 41

Section 1

May 18, 1932.

THE TAX BILL

Making rapid progress on the tax bill yesterday and last night, the Senate upheld the finance committee income and surtax rates, defeated amendments by Senator Tom Connally of Texas, and Senator Huey Long, of Louisiana, intended to increase them, adopted numerous administrative amendments and then took up the controverted resolution for a tax on beer, according to the press today.

THE CONGRESSIONAL SESSION

The press today says: "Congress can not complete its essential legislative program, including taxation and economy and relief measures, and adjourn finally by June 11, Senators Watson and Moses, Republican leaders, yesterday informed Speaker Garner and Representative Snell of New York, Republican leader in the House. The present indications are that a recess of one month will be taken June 11, in time for the national political conventions, and Congress will then resume its session, probably to continue it late into the summer...."

YOUNG URGES

A New York dispatch today says: "Owen D. Young yesterday explained in detail the reasons for his support of the relief program offered by Senator Robinson, Democratic leader....Briefly, Mr. Young's position is as follows: That it is possible to carry forward such a plan without its degenerating into an orgy of porkbarrel expenditures. That it is not based on any philosophy of spending ourselves into prosperity or of getting rich through extravagance. That it can be executed on economically sound lines and with fruitful results. That it has the same justification as the Reconstruction Finance Corporation. That it is, in fact, the affirmative, onward-moving, trade-producing complement of that institution, which was created to arrest decay of financial and industrial enterprises...."

BRAZILIAN COFFEE DESTROYED

A Rio de Janeiro dispatch today says: "The National Coffee Council announced yesterday that since the campaign to cut down the oversupply of coffee has been under way, 6,244,897 sacks have been destroyed. Of these 4,976,066 were destroyed in the State of Sao Paulo....In an effort to bring prices back to a profitable scale, Brazil has undertaken not only to buy and destroy 12,000,000 bags of coffee, but between 300,000,000 and 400,000,000 coffee trees. Funds for the purchases are obtained from a tax on exports. Only the best grades are allowed to leave the country.

WORLD ECONOMIC CONFERENCE

"A London dispatch today states that an international conference to end deflation and lay the foundation for return of world prosperity after the Lausanne conference deals with reparations is considered a strong possibility.

Section 2

British
Agri-
cultural
Report

Country Life (London) for May 7 says: "Sir John Gilmour's statement on the Ministry of Agriculture Vote was a departmental rather than a government pronouncement....Sir John produced some interesting statistical information about agricultural production, explained that the recent 'economy cuts' had necessarily resulted in curtailing in various directions many undoubtedly useful activities of the Ministry, and told the House something of the more recent advances in research work. There is no reason to doubt that in these directions the Ministry has done well. The reductions in expenditure which were necessary have been fairly and reasonably spread over the whole field of the department's work, and though the research into the problem of foot-and-mouth disease is as yet far from solving the main matters at issue, a certain amount of progress has undoubtedly been made. Outside the purely departmental sphere Sir John took credit for the orders made under the horticultural products act, which have already had considerable effect not only in raising revenue, but also in keeping out of the country products which take the cream of the home markets....The government may also justly claim appreciation for the steps which they have taken to put the wheat-growing industry on a more assured basis, but there is no doubt that Sir John Gilmour's audience were chiefly thinking of the need for pressing on with a national policy for the restoration of the livestock industry. As he told them in his statistical review, livestock and livestock products, on the basis of the 1925 Census of Production, accounted for 71 per cent of the total production, farm crops for 20 per cent, and fruit and vegetables for 9 per cent. Obviously, therefore, the future of agriculture in this country depends not so much on what the government have already done for farm crops and fruit, but on what they are going to do for livestock....The report presented this week to the Council of Agriculture for England takes a very grave view of the state of the livestock industry at the present moment, in spite of all that livestock farmers are doing to develop their industry, and the council are asking for immediate help by a scheme for feeding some portion on His Majesty's Forces on home-killed beef and mutton, and for a long-term policy to stabilize the prices of livestock in this country at an economic level, either by protection or quota. The difficulties of the situation are, of course, illustrated by the pig industry, for which a reorganization commission has already been set up, which is empowered to produce a full scheme for reorganizing the whole industry, taking into account the needs and interests of breeders, feeders, curers and consumers....If a quota scheme for imports is arranged there must be quota for home production, and the government must be in a position to produce evidence that the amount to fill the home quota is in fact available. The same, of course, applies to other branches of livestock raising, and it is cheering to find Lord De La Warr declaring at Balcombe on Saturday that he challenged anyone to find any branch of the agricultural industry where the necessary reforms of standardization and better marketing had not already begun to take place. They are long overdue, but better late than never. They are essential to any national livestock policy."

Economic
Recovery

An editorial in The Prairie Farmer for May 14 says: "The subject of farm machinery prices is a sore one with farmers. They point out that it takes twice as many bushels of grain to buy a farm implement as it did a few years ago, and resent the fact that machinery prices have not come down in price enough to match the low price of farm products. That feeling is understandable. But the thing many people do not understand is that in times like these there is a fundamental difference between agriculture and industry. Agriculture goes on producing no matter how low prices may go. Farmers may be producing at a loss, as they are now, but individually they will lose still more if they stop producing....Depressions would come to an end sooner if both industry and agriculture could follow the same policy--if agriculture could cut down production or if industry could keep on producing and sell its products for whatever they would bring. But both industry and agriculture are in the grip of forces which they can not control....The situation is not a pleasant one for either farmer or manufacturer. The farmer needs the machinery and the manufacturer needs the farmer's business. There is only one remedy, and that is a higher price for farm products. The most constructive thing that could happen would be for manufacturers of everything the farmer uses to join hands with organizations and with labor to secure the passage of such legislation as the honest money and surplus-control bills, and so materially hasten the day when higher farm prices will place the farmer on the same trading level with industry. That is the key to economic recovery. It offers the only quick way out of our difficulties."

French
Funds

The Wall St. Journal for May 14 says: "While England and the United States are attempting to check deflation through credit expansion, huge sums of idle money are piling up in France, creating a great potential force for lifting prices when a stimulus is provided to drive these funds back into employment. Thus, while the Bank of France, unable to indulge in open market operations, can not cooperate with the central banks in Great Britain and the United States, and does not sympathize with their credit policies, an involuntary boom must take place if these funds are ever shaken loose. The Bank of France will be unable to hold back the movement through open market contraction of credit. The Bank of France is working in the closest alliance with the Bank of England and the Federal Reserve to keep the foreign exchange markets under control."

Iron in
Nutrition

The Lancet (London) for April 30 says: "Great interest has for many years been shown by students of nutrition in the methods by which iron is obtained by the organism for the purpose of elaborating haemoglobin. Two problems in particular have engaged their attention--namely, the amount of iron that should be regularly supplied and the chemical form in which it should be presented to insure adequate utilization....It is true that some doubts have been cast from time to time on the assumption that milk is necessarily deficient in iron, and not long ago Scott and Erf claimed to have shown that young rats could be

successfully reared with normal concentrations of haemoglobin if they were fed exclusively on raw milk from selected cows which were given special diets containing a salt mixture which included iron and copper. Such results, if substantiated, would not invalidate the results of previous experiments on nutritional anaemia and we may therefore consider it proved that the quantitative iron requirements of an individual are not fixed and unalterable, but are liable to vary with the supply of other elements in the diet. This consideration must tend to complicate the problem of the normal minimum iron requirement. Some approximation to this quantity may be obtained by measuring the intake and output of iron by healthy individuals on a good mixed diet which is not likely to be deficient in any known food constituents, and measurements of this kind have indicated that 10 mg. a day is the average requirement for an adult. For young children it has been calculated that about 0.5 mg. a day should be allowed per kilo of body-weight...."

Michigan
Agriculture

An editorial in The Michigan Farmer for May 14 says: "Reports show more farmers to be enrolling in livestock quality work in Michigan than ever before. Certainly these farmers are looking in the right direction. Michigan, nestled in the midst of a great industrial area, can have an agriculture that will succeed. But that agriculture must be one of quality. Where producer and consumer live close together the former can acquire a good business only when he fully satisfies the latter. The interest farmers are now taking in methods of producing a better quality product, even in the face of one of the most discouraging times in the history of the country, shows a type of faith that can not be downed and bares a confidence which is bound to return the farming business to a sound basis."

Texas
Dairy
Show

An editorial in Farm and Ranch for May 15 says: "Not long ago Plainview was host to the Panhandle-Plains Dairy Show. Purebred dairy cattle were exhibited from fifty-four Texas counties and fourteen counties of New Mexico. There were 314 entries, six more than the largest number shown in former years. Seventy-one breeders were represented. One day there were approximately 10,000 visitors to the show and in the city. Every day the arena was crowded to capacity during the hours of judging. The most conservative estimates of the number interested in the judging gave 1,500 as the minimum and 2,000 as the maximum. The most of the audience were farmers and members of their families. As many more probably would have witnessed the show ring activities had there been room. Over in another building was a dairy products exhibit of homemade American cheese, milk, cream and butter, the best, it is said, ever brought together in that section of the State. It was expected that the Panhandle-Plains Dairy Association would carry on, but no one outside of the area immediately interested believed that the show would exceed all previous efforts in the number and quality of animals and in the interest manifested...The courage and spirit manifested by the farmers and business men of the Panhandle-Plains is typical of that outstanding quality of the pioneers who conquered the West...."

Section 3

Department of
Agriculture

An editorial in Outdoor America for May says: "These are trying times for nearly every individual, and many businesses. The income of Government agencies both Federal and State has been very much reduced and it is necessary to make readjustments in programs. Fortunately, most State agencies administering wild-life resources are self-supporting and the reduction in income is proportionately less than where dependent on ordinary tax collections....In Federal conservation activities and in many States there has been built up a technical personnel which has entered such work, and, in many cases, obtained technical training because it offered a profession attractive to them. Although the pay was small and advancement slow, the work was congenial and they felt secure in their positions. These men have in many cases spent years in such work and have much constructive accomplishment to their credit. They have not been in political organizations and for that reason can not become politically active to protect their work or their positions...."

Section 4

MARKET QUOTATIONS

Farm
Products

May 17.--Grain: No.1 Northern spring* Minneapolis 64 3/8 to 66 3/8¢; No.1 hard winter* Kansas City 53 to 54 1/2¢; No.2 hard winter* Kansas City 52 3/4 to 53 3/4¢; St. Louis 57 1/2¢ (Nom.); No.1 S.R. Winter St. Louis 55 1/2 (Nom.); No.2 S.R. Winter 53 1/2¢; Chicago 56 3/4 to 57 3/4¢; St. Louis 55¢ (Nom.); No.1 W. Wh. Portland 61¢; No.2 Am. Dur.* Minneapolis 52 1/2 to 56 1/2¢; No.1 Durum (Duluth) Minneapolis 59 1/4 to 62 1/2¢; No.2 rye Minneapolis 38 3/4 to 41 1/4¢; No.2 mixed corn Kansas City 32 to 32 1/2¢; Chicago 33 1/4¢; St. Louis 32 1/2¢ (Nom.); No.2 white corn Kansas City 32 to 33¢; No.2 yellow corn Kansas City 36 to 37¢; Chicago 33 to 33 1/2¢; St. Louis 32 3/4¢; No.3 yellow corn Minneapolis 34 1/2 to 35 1/2¢; Kansas City 34 to 35 1/2¢; Chicago 32 1/4 to 32 3/4¢; St. Louis 22 1/4 to 22 1/2¢; No.2 white oats Chicago 24 to 26 1/4¢; St. Louis 22 3/4 (Nom.); No.3 white oats Minneapolis 22 1/4 to 23 1/4¢; Kansas City 22 1/2 to 26 1/2¢; Chicago 23 to 23 3/4¢; St. Louis 22 1/2¢; Special No.2 barley Chicago 32 to 44¢; No.1 flaxseed Minneapolis \$1.16 1/2 to \$1.19 1/2.

Livestock prices at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$6 to \$7.60; cows, good and choice \$3.50 to \$5; heifers, (550-850 lbs.) good and choice \$5.25 to \$6.25; vealers, good and choice \$5 to \$6.50; feeder and stocker cattle, steers, good and choice \$4.75 to \$6; heavy weight hogs (250-350 lbs.) good and choice \$3.20 to \$3.50; light lights (140-160 lbs.) good and choice \$3.40 to \$3.60; slaughter pigs (100-130 lbs.) good and choice \$3 to \$3.40 (soft or oily hogs and roasting pigs excluded from above quotations).

*Prices basis ordinary protein.

Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$5 to \$5.65.

Florida Spaulding Rose potatoes \$7.25-\$8.75 per barrel in the East; Alabama and Louisiana sacked Bliss Triumphs \$2.75-\$3 per 100 pounds in a few cities; \$2.25-\$2.35 f.o.b. Mobile. Maine sacked Green Mountains 90¢-\$1.20 in eastern cities. Wisconsin sacked Round Whites 75¢-85¢ carlot sales in Chicago; 55¢-60¢ f.o.b. Stevens Point. North Carolina Missionary strawberries 8¢-13¢ per quart in eastern city markets; 32-quart crates, auction sales, \$1.50-\$4 f.o.b. Wallace Section. California Salmon Tint cantaloupes \$6.50-\$8.50 per standard 45 in terminal markets; \$2.35-\$2.40 f.o.b. Brawley. Texas Yellow Bermuda onions, U.S. Commercial, \$1.10-\$1.50 per 50-pound sack in consuming centers; 85¢-\$1 f.o.b. Coastal Bend Section.

Wholesale prices of fresh creamery butter at New York were: 92 score, 18¢; 91 score, 17½¢; 90 score, 16¾¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 10½ to 13¢; Single Daisies, 11½ to 12¢; Young Americas, 11½ to 12¼¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 17 to 19¼¢; Standards, 16¼¢; Rehandled, Receipts, 15 to 15½¢.

Average price of Middling spot cotton in the ten designated markets declined 19 points to 5.37¢, per lb. On the corresponding day one year ago the price stood at 8.41¢. May future contracts on the New York Cotton Exchange declined 18 points to 5.52¢, and on the New Orleans Cotton Exchange declined 17 points to 5.55¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XLV, No. 42

Section 1

May 19, 1932.

THE CONGRESSIONAL SESSION

Republican Congressional leaders have decided that there will be no adjournment or recess of Congress until the appropriation, tax and economy bills and probably the relief legislation are enacted, according to the press today.

THE TAX BILL

The press today says: "The Senate yesterday turned thumbs down on beer as a source of Federal revenue and pitched into the even more controversial proposition of swelling tax collections through additional tariff duties. The battle opened on the question of an import tax on oil, with similar protective duties on coal, copper and lumber waiting to be fought over in their turn. The tariff issue promises some of the hardest combat the \$1,000,000,000 tax bill will engender...."

THE ECONOMY PROGRAM

After a four-day intermission, forced by the illness of one of its members, the special Senate economy committee at 10 o'clock this morning will resume its search for \$300,000,000 in Federal economies necessary to balance the budget, according to the press today.

THE RELIEF MEASURE

The press today says: "...Senator Walsh of Massachusetts, speaking in the Senate yesterday, demanded that the proposal to lend \$300,000,000 to the States for direct relief be rushed through without waiting for agreement on other items of the broad relief program. The majority of the Democrats and the Hoover administration are in agreement on the proposal to set up a fund of about \$300,000,000 to be loaned for direct relief, although there seems to be general disagreement over the other parts of the program. Senator Walsh would have Congress act on this item at once, not waiting until the differences over the other proposals can be reconciled...."

HOUSE PASSES

The House yesterday voted the Bankhead bill, carrying a \$4,000,000 authorization for vocational rehabilitation. (Press, May 19.)

POLAND GOVERNMENT PAY CUTS

A Warsaw dispatch today states that one hundred million zloty (more than \$11,000,000) will be saved by the Polish government during the current budgetary year by another 10 per cent reduction in government officials' salaries, effective June 1. The report says: "This is the second reduction in official salaries within thirteen months. It will include army officers, who were spared last year...."

Section 2

British Farm Co- operation May, says: "Just as agriculture has been the last of all the industries to be affected by science, not always through the farmers' fault, so has the idea of cooperative selling penetrated more slowly into agricultural circles than into those of other industries. Cooperative buying, indeed, has been fairly successful, but in England at least cooperative selling, as in the case of some bacon factories, has not infrequently been looked on by the farmers as a means of getting rid of the inferior or less salable residue of his produce, with disastrous results to the factory concerned. But if the idea of voluntary cooperative selling has caught on slowly, the idea of compulsory marketing has encountered far greater opposition. On no less than five occasions the executive committee of the National Farmers' Union has refused to have anything to do with the recent agricultural marketing act, which is based on compulsion. Many of the rank and file, however, have suffered too seriously of recent years to maintain indefinitely this laissez-faire attitude. The comparative importance of the central body in negotiating with certain of the sugar-beet factories, and especially with the milk-selling agencies, has brought home to them the insufficiency of collective bargaining, without the accompaniment of some sort of coercion to prevent 'breakaways' at critical moments. The most striking instance, however, of this weakness in voluntary bargaining has been in the hop industry. In this case, in spite of the help of an import duty on hops, the efforts of the original members of the pool, who at the outset numbered about 93 per cent of the total producers, were nullified and finally ruined by the unfair tactics of a small minority who represented at the start only 7 per cent of the producers with an acreage of only 2,300 acres. It was with these object lessons before them that at the last annual meeting of the union the rank and file carried in the teeth of the executive a resolution to ask the Ministry of Agriculture to prepare a scheme for the compulsory marketing of milk under the Act of 1931. The struggle was a close one, ninety-seven voting in favor of the motion and ninety-four against....In conclusion, I would point out one supreme argument which I think should appeal to all farmers, and even to those who, like myself, feel very sore at the government's refusal to tide the industry over the terrible gap between now and the coming into operation of the quota and of the various marketing schemes, which will probably take still longer to materialize. When the organization of the various branches of our industry is complete, those of us who survive will find ourselves thoroughly organized, not only for marketing, but also, if unfortunately the necessity arises, for putting forward as one solid unit our claims to receive full justice from the nation as one of the most important and vital branches of national industry."

Citrus Fruit Market- ing An editorial in Farm and Live Stock Record for May says: "Marketing of cull citrus fruit helps to lower prices for good fruit and to destroy markets that are established and that can and will take more good fruit in every year provided culls are not

offered for sale. This is one of the things that even citrus fruit growers have not yet learned. Or, if they have learned that cull citrus fruit should be destroyed, or used for fertilizer, in the groves where it is produced, they are not practicing what they have learned--at least not to the extent that they should. Do not the growers try to improve the quality of the fruit they produce? Most of them do, and then many of them destroy their own markets for good fruit, or impair them very extensively and seriously, by selling culls in those same markets, or permitting the sale of this inferior fruit, which, if they do not ship, themselves, they sell to hucksters or peddlers, with results as above stated. For some years past the Farm and Live Stock Record has called this matter to the attention of Florida citrus fruit growers. In the season now drawing to a close more cull fruit has been marketed, within the State and without, than in any previous season, due to conveyance, by trucks mainly, from the groves to near and far places where sale is made to innocent buyers and consumers. Market prices, for the best of good fruit, have been broken by this mistaken procedure...."

Commercial An editorial in The Michigan Farmer for May 14 says:
Hunting "The organization of a commercial hunting preserve, as dis-
Preserve cussed elsewhere in this issue, offers untold opportunities to the farmers of Michigan. Control of trespassing, promoting reforestation, and a new source of income are the outstanding features that first come to mind, but one that can be classified with these is the value of the contacts he will be making. Most of these hunters will be prospective customers for many crops he produces. Eggs, chickens, butter, vegetables, fruits, potatoes, meats, and other products, if of good quality and reasonably priced, will be bought right at the farmer's door. Sportsmen's organizations in various parts of the country are talking in favor of the commercial hunting preserve, to be stocked and maintained by the farmer. At present Michigan is leading all other States and these groups are looking to us. The sooner we get well organized the better will be the market for our crop of game. If we delay and some other State gets ahead of us the hunter will go there...."

Food Retail food prices in 51 cities of the United States,
Prices as reported to the Bureau of Labor Statistics of the United States Department of Labor, showed an average decrease of about one and one-third per cent on April 15, 1932, when compared with March 15, 1932, and an average decrease of about 16 per cent since April 15, 1931. The bureau's weighted index numbers, with average prices in 1913 as 100.0, were 124.0 for April 15, 1931; 105.0 for March 15, 1932; and 103.7 for April 15, 1932. During the month from March 15, 1932, to April 15, 1932, 27 articles on which monthly prices were secured decreased as follows: Butter, 9 per cent; strictly fresh eggs, 5 per cent; sliced bacon, hens, fresh milk; oleomargarine, lard, rice, canned corn, prunes, and bananas, 3 per cent; cheese, navy beans, and sugar, 2 per cent; sliced ham, canned red salmon, evaporated

milk, bread, rolled oats, macaroni, pork and beans, canned tomatoes, tea, and coffee, 1 per cent; and rib roast, vegetable lard substitute, and wheat cereal, less than five-tenths of 1 per cent. Eight articles increased: Onions, 20 per cent; cabbage, 14 per cent; oranges, 4 per cent; leg of lamb, 3 per cent; sirloin steak, chuck roast, and plate beef, 1 per cent; and round steak, less than five-tenths of 1 per cent. The following 7 articles showed no change in the month: Pork chops, flour, cornmeal, cornflakes, potatoes, canned peas, and raisins. During the month from March 15, 1932, to April 15, 1932, 45 of the 51 cities from which prices were received showed decreases in the average cost of food.

Horse Liver Extract In a preliminary report on the treatment of pernicious anemia with horse liver extract, by Oscar Richter, M.D., Arthur E. Meyer, Ph.D., and Andrew C. Ivy, M.D., Ph.D., The Journal of the American Medical Association for May 7 says: "The value of cattle liver and desiccated hog stomach in the treatment of pernicious anemia is established. The 'active principle' has been reported to be present in a number of tissues. Our work was undertaken to determine (1) whether horse liver contains the antianemic principle active in pernicious anemia, and (2), if so, its relative concentration or potency. A positive finding would increase the commercial source of liver, since many horses are slaughtered daily at Rockford, Ill., and the meat packed for human and canine consumption; and it is possible that the yield from horse liver might be greater and the extract lend itself more readily to purification and concentration. It is also possible that horse liver extract might prove to be more efficacious on oral administration and hence render the necessity of intramuscular injections unnecessary in those patients who do not respond to cattle liver given orally. The livers used for preparing the extract were selected from healthy United States Government inspected horses. The livers were ground while still warm and immediately extracted with water, and the water extract was then fractionated by heat and alcohol approximately like Minot's method of preparing fraction G. This fraction, soluble in 70 per cent alcohol, was used in our work on patients with pernicious anemia....Conclusions reached are: 1. An extract of horse liver has been prepared which is low in total solids (1.8 Gm. from 100 Gm. of raw liver) and of which an oral administration induces a complete remission in pernicious anemia. 2. A preliminary study of the comparative concentration or potency of the antianemia principle or principles active in pernicious anemia present in horse and cattle liver suggests that the concentration may be greater in the liver of the horse."

Kansas Credit Bank The Federal Intermediate Credit Bank of Wichita on May 16 announced a one per cent reduction in interest rate, to 4½ per cent. The bank's bulletin explains that this is due to a lowering in the amount of interest which it has to pay on its debentures which are the principal source of lending funds. The reduction in interest rates is attributed largely to the activities of the Reconstruction Finance Corporation in

strengthening the condition of commercial banks and checking failures and to its offer to purchase any unsold issues during February and March, also to the passage through the Senate of the bill amending the Federal Reserve Act making these debentures eligible as security for loans by Federal Reserve Banks to member banks. This reduction makes the rate of interest which the borrowers pay not over $7\frac{1}{2}$ per cent, for the local lending institutions can not add more than 3 per cent to the bank's rate of interest. The bulletin reports an increase in the volume of farmers' notes discounted amounting to $3\frac{1}{2}$ per cent in April, compared with the previous month and an increase of $24\frac{1}{2}$ per cent during the last 12 months. The farmers' notes now being held by the bank for 20 institutions amount to approximately \$3,000,000.

Section 3 MARKET QUOTATIONS

Farm Products

May 18.--Grain: No.1 dark northern spring* Minneapolis 63 $\frac{3}{8}$ to 65 $\frac{7}{8}$ ¢; No.1 Northern spring* Minneapolis 63 $\frac{3}{8}$ to 65 $\frac{7}{8}$ ¢; No.1 hard winter* Kansas City 53 to 54¢; No.2 hard winter* Kansas City 52 $\frac{3}{4}$ to 53 $\frac{3}{4}$ ¢; Chicago 58 $\frac{1}{4}$ ¢; St. Louis 58¢ (Nom.); No.1 S.R. Winter St. Louis 56¢; No.2 S.R. Winter Kansas City 52 $\frac{1}{2}$ to 53 $\frac{1}{2}$ ¢; Chicago 57 $\frac{1}{2}$ ¢; St. Louis 55 $\frac{1}{2}$ ¢; No.1 W. Wh. Portland 61¢; No.2 Am. Dur.* Minneapolis 52 $\frac{1}{4}$ to 56 $\frac{1}{4}$ ¢; No.1 Durum (Duluth) 58 $\frac{3}{4}$ to 61 $\frac{3}{4}$ ¢; No.2 rye Minneapolis 37 $\frac{7}{8}$ to 40 $\frac{3}{8}$ ¢; No.2 mixed corn Kansas City 32 to 33¢; Chicago 33 to 33 $\frac{1}{4}$ ¢; St. Louis 32 $\frac{1}{2}$ ¢; No.2 yellow corn Kansas City 36 to 38¢; St. Louis 32 $\frac{3}{4}$ to 33 $\frac{1}{2}$ ¢; No.3 yellow corn Minneapolis 34 $\frac{1}{2}$ to 36 $\frac{1}{2}$ ¢; Chicago 33¢; St. Louis 32¢; No.2 white oats Chicago 24 to 25 $\frac{1}{2}$ ¢; St. Louis 22 $\frac{3}{4}$ ¢; No.3 white oats Minneapolis 22 $\frac{7}{8}$ to 23 $\frac{3}{8}$ ¢; Kansas City 22 $\frac{1}{2}$ to 26¢; Chicago 22 $\frac{3}{4}$ to 24¢; St. Louis 22 $\frac{1}{4}$ (Nom.); Special No.2 barley Chicago 38 to 44¢; No.1 flaxseed Minneapolis \$1.16 $\frac{1}{2}$ to \$1.19 $\frac{1}{2}$.

Livestock prices at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$6.25 to \$7.75; cows, good and choice \$4 to \$5.25; heifers (550-850 lbs.) good and choice \$5.25 to \$6.25; vealers, good and choice \$5 to \$6.50; feeder and stocker cattle, steers, good and choice \$4.75 to \$6; heavy weight hogs (250-350 lbs.) good and choice \$3.10 to \$3.40; light lights (140-160 lbs.) good and choice \$3.30 to \$3.50; slaughter pigs (100-130 lbs.) good and choice \$3 to \$3.30; slaughter sheep and lambs, lambs, good and choice (90 lbs. down) \$4.50 to \$5.25.

Alabama and Louisiana sacked Bliss Triumph potatoes \$2.85-\$3.15 per 100 pounds in city markets; few \$2.25 f.o.b. Mobile. Maine sacked Green Mountains 90¢-\$1.25 in eastern cities. Wisconsin sacked Round Whites 75¢-85¢ carlot sales in Chicago; mostly 55¢ f.o.b. Stevens Point. Texas Yellow Bermuda

* Prices basis ordinary protein.

onions, U. S. Commercial, \$1.15-\$1.40 per 50-pound sack in consuming centers; 75¢-90¢ f.o.b. Coastal Bend Section. North Carolina Missionary strawberries 9¢-11¢ per quart in the East; 32-quart crates \$2-\$4 f.o.b. Wallace Section. Missouri Aromas \$3.75-\$3.85 per 24-quart crate in Kansas City; \$3.25-\$3.35 f.o.b. Monett. California Salmon Tint cantaloupes \$4.75-\$6.50 per standard 45's in terminal markets; \$2-\$2.10 f.o.b. Brawley. Virginia Pointed type cabbage 50¢-\$1.25 per 12-bushel hamper in the East. Mississippi Pointed type \$3.25-\$3.50 in Chicago per western lettuce crates and \$3 f.o.b. Crystal Springs.

Average price of Middling spot cotton in the ten designated markets advanced 9 points to 5.46¢ per lb. On the corresponding day one year ago the price stood at 8.62¢. May future contracts on the New York Cotton Exchange advanced 9 points to 5.61¢, and on the New Orleans Cotton Exchange advanced 5 points to 5.60¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 18¢; 91 score, 17½¢; 90 score, 16¾¢.

Wholesale prices of No. 1 fresh American cheese at New York were: Flats, 10½ to 13¢; Single Daisies, 11½ to 12¢; Young Americas, 11½ to 12¼¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 16½ to 19¢; Standards, 16¢; Rehandled Receipts, 15 to 15¼¢. (Prepared by Bu. of Agr. Econ.).

DAILY DIGEST

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Vol. XLV, No. 43

Section 1

May 20, 1932.

THE TAX BILL

The press today says: "The billion dollar tax bill, designed to balance the Federal budget in the next year, bogged down yesterday in the tariff morass. Leaders on both sides fought to free the measure of the clogs which threatened to postpone its passage indefinitely. There were reports that President Hoover was preparing another message to Congress demanding prompt enactment of essential budget-balancing legislation...."

RELIEF PLANS

The press today states that a special Senate committee which has been considering an unemployment relief program virtually reached an agreement last night, the details of which probably will be announced today. It is understood that the agreement provides: A bond issue of \$1,000,000,000 for the construction of public works projects already authorized. An increase of \$800,000,000 in the capitalization of the Reconstruction Finance Corporation for use in making loans to industry. An appropriation of \$200,000,000 to \$300,000,000 for direct relief. Additional loans of \$50,000,000 to \$60,000,000 by the Reconstruction Finance Corporation to farmers. The members of the committee are Senators Robinson of Arkansas, Wagner of New York, Pittman of Nevada and Bulkley of Ohio.

The press states that Speaker Garner yesterday proposed a three-point relief program, supplementing that advanced by Senator Robinson, who had accepted suggestions by Owen D. Young. Mr. Garner's plan, adopting some of the ideas favored by President Hoover and the Senate Democratic group, was accepted by the Republican and Independent House group as offering a sound compromise solution of the unemployment and relief problem.

FINANCE LEADERS

The press today states that the most powerful coalition of TO AID CREDITS financial leadership since the days of the Liberty Loan Committee was called into being yesterday with the formation, under the chairmanship of Owen D. Young, of a committee of twelve bankers and industrialists to aid in putting to work the hundreds of millions of dollars being poured into the market by the Federal Reserve System in its credit expansion program. The report says: "The group was called together by George L. Harrison, governor of the Federal Reserve Bank of New York, as New York's response to the policy devised at the meeting of Federal Reserve Bank governors in Washington earlier in the week....By the formation of the new committee, financial authorities hope to make the Federal Reserve's policy effective, and through the medium of the group, find means for bringing together the vast surplus of idle funds in the banks and the many worthy projects in need of credit that exist throughout the country...."

PACKERS ASK BAN RELEASE

Meat packers to whom the Supreme Court recently refused the right to deal in groceries filed with the court yesterday a petition asking for a rehearing and a reversal. In the petition attorneys for Swift & Co. and Armour & Co. cited five grounds, chief of which was a contention that the court erred in basing its decision on an assumption that the packers had confessed or had been found guilty of violating the anti-trust laws when they agreed to the 1920 consent decree. (Press, May 20.)

Section 2

Country
Banks

Virgil P. Lee, writing under the title "Small Country Banks in a New Age" in The Journal of Land & Public Utility Economics for May, says: "Low farm prices, poor general business conditions, and poor bank management are insufficient explanations of the present difficulties of country banks. Before the present depression we have had low prices, poor business, and probably poorer bank management without such destructive inroads on the banking business. Something fundamental has happened to the country banking business itself since 1914, to make hundreds of banks peculiarly susceptible to collapse under the pressure of poor business conditions. Unavoidable increases in expenses and decreases in charges for services have put country banks in the extremely difficult position of having their margin of earnings sliced concurrently from both ends....On the other hand, thousands of banks have not been able to get the required volume. Despite the necessity of increasing their volume, many banks have actually had a decline. In many communities the situation has been aggravated by the development of good roads and extensive use of automobiles which have taken former customers to larger towns. The best sort of bank management, with good agricultural prices and general prosperity, could scarcely make paying units out of many small country banks in the face of the increased volume requirements...."

Farm
Economics

E. C. Brooks, president, North Carolina State College, Raleigh, writing under the title "What May the Farmer Do?" in Manufacturers Record for May 19, says: "Since the farmer will not and should not go back to the economic life of a generation ago, if he retains any pride in his profession for himself and his family, and since he has little or no control over the major causes of his present decline, what may he do as a class to improve his condition? In other words, how can he pull himself up by his own boot-straps? We should keep in mind that he is confronted with high interest rates, a restricted currency, not sufficient to carry industry, with little credit, and little demand for his commodities. It is necessary for him, therefore, to plan his future accordingly. Money crops no longer mean money to him. It is imperative that he plan to live on less money and on more home-produced commodities, that he seek markets for his surplus products at or near home, and avoid the cost of high exchange. Hence, the economic necessity of a new type of farm management. Our agricultural leaders have been urging for a number of years the need for better farm management, but the influence of banks, merchants, industry and commerce on single commodity production and money crops, has been too powerful for the farmer to make much headway. Bankers are learning better today, but not until they too were in distress. This new business management will require diversification, balanced production, better distribution of labor, better seed and stock, and a considerable reduction in the need for buying the necessities of life. The farm should be treated as a business unit...."

French
Public
Works
Program

The press of May 18 says: "A gigantic French public-works program, somewhat similar to that now being discussed in Congress, was proposed by Premier Tardieu approximately one year ago, according to American consular reports received at Washington, but failed, due to the fall of his Cabinet. Since then only minor public works have been started to alleviate the growing unemployment situation in France. Several other measures have been taken, however, to aid the unemployed, one of these being a direct subsidy paid by the French Government to municipal governments. This subsidy up until recently compensated the municipality to the extent of a minimum of fifty per cent of the amount which it gave to the unemployed. On December 31, 1931, however, a presidential decree increased this minimum to sixty per cent. For districts where the unemployed are between ten and twenty per thousand, the Government pays seventy per cent of the relief fund, while in areas where the unemployed are twenty to thirty per thousand the Federal aid is eighty per cent. A ninety per cent Federal subsidy is given in districts where unemployment is more than thirty per thousand. The amount of money paid each family, according to consular reports, varies from \$.274 per day to \$1.02, according to the size of the family. The latter amount is given to families in which there are five or more children....

"A bill for aiding the movement of former farm workers from the city back to the land has recently been introduced in the Chamber of Deputies. This would provide for a Government advance of money to the national agricultural credit organizations at a low interest rate, which, in turn, would loan the money, also at low rates, to farmers re-establishing themselves on the land...."

Hurrell
on Busi-
ness
Recovery

Recovery from the economic depression is inevitable, Alfred Hurrell, vice president and general counsel of the Prudential Insurance Company declared May 18 in addressing the first general session of the United States Chamber of Commerce, in convention at San Francisco, according to the press of May 19. The report says: "Basing his talk on the situation of railroads and the widespread effects of their financial slump, he sounded the keynote of the convention which drew the Nation's business leaders together for a discussion of economy and finance....Mr. Hurrell declared recovery of the railroad business would do more than any other one development to stimulate production and distribution and lead the way to a return of normal conditions. He pointed out that life insurance companies and savings banks hold a large proportion of railroad bonds. Through these institutions, he said, 13,000,000 bank depositors and 50,000,000 policy holders are affected, directly or indirectly by the condition of the railroads. He decried Government ownership, but said it was imperative the Federal Government further assist the railroads and regulate bus and truck competition...."

New England
Prices

An editorial in New England Homestead for May 14 says: "With eggs selling out in Kansas at 8 cents a dozen and in some spots of New England as low as 15 cents, an eastern Massachusetts

subscriber says that the hen business in New England is being overdone. He wants to know what New England Homestead thinks. We think our poultry population should be increased under efficient methods of quality production and organized marketing. Of course, that isn't the answer he expects but New England Homestead believes New England agriculture in general has advantages which Yankee ingenuity, ability and adaptability can and will turn to account by further expansion....It is perfectly true that New England prices are unusually low but what would you call the prices prevailing elsewhere? All commodity prices are low, but high or low the salient point is that New England is always outstandingly ahead. Beyond this is the significant fact that our superb markets, greatly undersupplied with local products, afford an opportunity for us to command an extra premium on quality produce properly merchandised. This merchandising is our besetting sin, but we are learning. The more we learn and apply the less we will talk about New England's overproduction, be it hens or even dairy products."

Wholesale Prices The index number of wholesale prices as computed by the Bureau of Labor Statistics of the U. S. Department of Labor shows a slight decrease from March, 1932, to April, 1932. This index number, which includes 784 commodities or price series weighted according to the importance of each article, and based on the average prices for the year 1926 as 100.0, was 65.5 for April as compared with 66.0 for March, showing a decrease of approximately three-fourths of 1 per cent between the two months. When compared with April, 1931, with an index number of 74.8, a decrease of about $12\frac{1}{2}$ per cent has been recorded. In the group of farm products, decreases in the average prices of barley, corn, calves, steers, hogs, live poultry, cotton, lemons, oranges, peanuts, tobacco, and wool, caused the group as a whole to decline 2 per cent from the previous month. Increases in price during the month were shown for oats, rye, wheat, cows, lambs, hay, onions, and sweet potatoes. Among foods price decreases were reported for butter, cheese, evaporated milk, most meats, lard, bread, canned fruits, and raw and granulated sugar. On the other hand, flour, bananas, and coffee averaged higher than in the month before. The group as a whole declined 2 per cent in April when compared with March. The hides and leather products group decreased approximately 3 per cent during the month with all the subgroups except other leather products sharing in the decline. The group of textile products as a whole decreased nearly 3 per cent from March to April, due to marked declines for cotton goods, knit goods, silk and rayon, woolen and worsted goods, and other textile products. The subgroup of clothing declined slightly. In the group of fuel and lighting materials increases in the prices of fuel oil, gasoline, and crude petroleum more than offset decreases in the prices of anthracite coal, bituminous coal, coke, electricity, and gas. Due to the sharp advance in the prices of petroleum products the fuel and lighting group increased nearly $3\frac{1}{2}$ per cent over the March level. Metals and metal products showed a slight downward tendency for April. Increases in iron and steel were offset by decreases in motor

vehicles and nonferrous metals. Agricultural implements and plumbing and heating fixtures showed practically no change between March and April. In the group of building materials, cement showed no change in average prices. Structural steel moved upward, while average prices for brick and tile, paint and paint materials, and other building materials continued their downward movement, forcing the group as a whole to decline approximately 1 per cent. Mixed fertilizers showed further recession during April, as did also chemicals and drugs and pharmaceuticals. Fertilizer materials, on the other hand, increased slightly in the month. The group as a whole decreased more than 1 per cent from the March level.

Section 3 MARKET QUOTATIONS

Farm Products

May 19.--Livestock prices at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$6.25 to \$7.75; cows, good and choice \$4 to \$5.25; heifers, (550-850 lbs.) good and choice \$5.25 to \$6.25; vealers, good and choice \$5 to \$6.25; feeder and stocker cattle, steers, good and choice \$4.75 to \$6; heavy weight hogs (250-350 lbs.) good and choice \$3 to \$3.35; light lights (140-160 lbs.) good and choice \$3.25 to \$3.50; slaughter pigs (100-130 lbs.) good and choice \$3 to \$3.25 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down). \$4.25 to \$4.75.

Grain: No.1 dark northern spring* Minneapolis 63 7/8 to 65 7/8¢; No.1 northern spring* Minneapolis 63 7/8 to 65 7/8¢; No.1 hard winter* Kansas City 53 1/4 to 54 1/4¢; No.2 hard winter* Kansas City 53 to 54¢; St. Louis 58 1/2¢ (Nom.); No.1 S.R. winter St. Louis 56 1/2¢; No.2 S.R. Winter Kansas City 52 3/4 to 53¢; St. Louis 55 to 56¢; No.1 W. Wh. Portland 60¢; No.2 Am. Dur.* 52 5/8 to 56 5/8¢; No.1 Durum (Duluth) 59 3/4 to 62 3/4¢; No.2 rye Minneapolis 38 to 40 1/2¢; No.2 mixed corn Kansas City 32 to 33¢; Chicago 32¢; St. Louis 32 3/4¢ (Nom.); No.2 white oats Kansas City 32 to 33 1/2¢; No.2 yellow corn Kansas City 36 to 38¢; Chicago 32 3/4¢; St. Louis 32 3/4 to 33¢; No.3 yellow corn Minneapolis 34 1/2 to 35 1/2¢; Kansas City 35 to 36 1/2¢; Chicago 32 to 32 1/4¢; St. Louis 32 to 32 1/2¢; No.2 white oats Chicago 23 3/4 to 25¢; St. Louis 22 3/4¢ (Nom.); No.3 white oats Minneapolis 22 1/2 to 23¢; Kansas City 22 1/2 to 26¢; Chicago 22 3/4 to 23 1/4¢; St. Louis 22 1/4 (Nom.); Special No.2 barley Minneapolis 44 to 46¢; Chicago 38 to 44¢; No.1 flaxseed Minneapolis \$1.15½ to \$1.18½.

Florida Spaulding Rose potatoes \$6.50-\$8.50 per barrel in the East. Alabama and Louisiana Bliss Triumphs \$3-\$3.25 sacked per 100 pounds in city markets; Maine sacked Green Mountains 85¢-\$1.20 in eastern cities. Wisconsin sacked Round

*Prices basis ordinary protein.

Whites 75¢-85¢ carlot sales in Chicago; 55¢-57½¢ f.o.b. Stevens Point. Texas Yellow Bermuda onions, U.S. Commercials, \$1-\$1.40 per 50-pound sacks in consuming centers; 75¢-85¢ f.o.b. Coastal Bend Section. North Carolina Missionary strawberries 8¢-14¢ per quart in terminal markets; 32-quart crates \$1.50-\$3.50 f.o.b. Wallace Section. California Salmon Tint cantaloupes \$5-\$7 per standard crate of 45 melons in consuming centers; \$2 f.o.b. Brawley. Virginia Pointed type cabbage 50¢-\$1.25 per 1½-bushel hamper in the East. Mississippi Pointed type \$4-\$4.25 per 100-pound crate in Chicago; \$3 f.o.b. Crystal Springs.

Average price of Middling spot cotton in the ten designated markets advanced 4 points to 5.50¢ per lb. On the corresponding day one year ago the price stood at 8.61¢. May future contracts on the New York Cotton Exchange advanced 7 points to 5.68¢, and on the New Orleans Cotton Exchange advanced 6 points to 5.66¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 18½¢; 91 score, 18¢; 90 score, 17¾¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 10½ to 13¢; Single Daisies, 11½ to 12¢; Young Americas, 11½ to 12¼¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 16 to 18¾¢; Standards, 15½ to 15¾¢; Rehandled Receipts, 14½ to 15¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XLV, No. 44

Section 1

May 21, 1932.

THE PRESIDENT ON NEW CREDIT COMMITTEES

The creation in New York May 19 of a committee of bankers and industrialists to aid in stabilizing economic conditions and to make more effective the credit expansion policies of the Federal Reserve Board has the wholehearted approval of President Hoover, according to the press today. The President stated yesterday that he was hopeful that similar action would be taken in the other Federal Reserve districts.

THE TAX BILL

The press today says: "Pro-tariff forces in the Senate last night crashed through opposition trenches and wrote protection for oil and coal into the new billion-dollar revenue bill. A half-cent per gallon duty on imported oil was approved by a vote of 43 to 37, and a \$2 per ton tax on foreign coal was supported by a vote of 39 to 34...."

FARM LEGISLATION

The Associated Press today says: "The threefold farm relief plan of the major farm organizations, calling for the equalization fee, export debentures and a domestic allotment plan of distributing, was reported favorably yesterday by the Senate agriculture committee. The committee made only minor changes in the wording of the measure as presented by the National Grange, the National Farmers' Union and the American Farm Bureau Federation, which agreed upon and drafted it. The measure authorizes the Farm Board to put into effect any one or combinations of the three plans when considered necessary to assist agriculture."

UNEMPLOYMENT RELIEF PLAN

The A.P. today says: "A \$2,300,000,000 Federal unemployment relief program was proposed yesterday by the special Democratic relief committee of the Senate. The counter offer to President Hoover's compromise called for a \$500,000,000 bond issue for public construction. It accepted proposals for \$300,000,000 for direct relief loans to the States and \$1,500,000,000 for public and private loans, both to be administered by the Reconstruction Finance Corporation."

Arthur Krock says in today's New York Times: "Real cooperation has come at last in Washington. The announcement by the committee of Senate Democrats yesterday of the details of their bill to relieve unemployment revealed an honest harmonizing of the plans of private citizens, members of Congress on both sides and the President. There is not a touch of partisan politics in the result, for which many persons and both parties can justly claim credit. One major point of difference between the President and the Democratic subcommittee is, of course, the subcommittee's proposal of a twenty-five-year bond issue and sinking fund to assure the construction during the next fiscal year of \$500,000,000 in previously authorized Federal projects. But that may develop into a minor difference...."

Section 2

Avocado
Banquet An editorial in California Cultivator for May 14 says:
"Last week the avocado growers of the State again demonstrated the growth and healthfulness of this rather lusty young infant in California's commercial horticulture by holding the 17th annual convention of the California Avocado Association, climaxed by the customary avocado dinner in Pasadena. These annual events always bring out a large assemblage of both growers and admirers of this aristocrat of salads and despite hard times and others ill effects of the depression this year's gathering was no exception to the rule, either in attendance, entertainment or service. ...If we may judge by the increased sale of avocados during the past few years, it is apparent that the Calavo Growers--the avocado marketing cooperative--is adhering to this policy even though it may be at the expense of some of our other specialty crops that have been advertised less aggressively. At any rate the avocado people are doing a mighty good job of trying to educate the American people to like and demand 'Calavos,' California's finest salad fruit."

Florida
Bean
Festival An editorial in The Florida Times-Union for May 18 says: "Every now and then Florida, the wonder State of the country, offers something different in the way of a celebration or event emphasizing special features, attractions or industries of various sections or divisions. The Pahokee Bean Festival, a five-day program undertaken at Pahokee on Thursday last, under the auspices of the East Beach Post, American Legion, brought thousands of visitors to that little city alongside Lake Okeechobee, in the Everglades section, Palm Beach County, and it could easily be said that 'a delightful time was had by all.' The display of Everglades flowers, fruits and vegetables was remarkable; and did not fail to interest visitors from far and near. Called a 'bean festival' and marking the close of the season for shipping 'green beans' in great quantity, the displays made and enthusiasm evidenced regarded many other things also produced in abundance in that section....While beans may be regarded as prosaic and scarcely expected to pose among the artistic of products they are highly regarded as food; and Florida's early green beans, going North when that part of the country is in the grip of winter, are welcome indeed by the housewives. Pahokee is 'famous' as a starting place for 'trainloads of beans,' and very properly makes a festival in their honor when a good season is ended."

Harriman
on Con-
ditions A wide program aimed to revive business activity, including a strong and unified bank system for the country, was suggested by Henry I. Harriman, chairman of the New England Power Association, in an address before the convention of the United States Chamber of Commerce at San Francisco, May 19, according to the press of May 20. The report says: "Such a banking system, according to Mr. Harriman, would assure safety and give confidence to depositors. He expressed favor for branch banking. Advocating the amendment of the anti-trust laws to permit

trade associations and business combinations to enter into agreements to govern prices and output, he recommended supervision of such agreements by the Federal Trade Commission or by a new commerce court. Other suggestions were: 'Adopt an agricultural program which includes a fair trial of the domestic allotment plan, say for wheat and cotton; the gradual reduction of submarginal lands under cultivation and the repeal of that portion of the Farm Board Act which authorizes the attempt to equalize prices by Government purchases....'

Milling
Policies

An editorial in Modern Miller for May 14 says: "The week beginning May 16 is an important one for the milling industry. It is a week of summing up the situation and of determining a course to pursue. Millers for a generation have met in some manner in advance of new crop problems to avoid the pitfalls of precipitate action, and to substitute a conservative policy for a haphazard go-as-you-please. The meetings in Minneapolis, Kansas City, St. Louis and Toledo, each succeeding day, beginning Monday, are to be conducted by the Federation Committee in conjunction with millers in accessible sections. Henry Stude, president of the American Bakers Association, recently prescribed for the baking industry: 'Bakers should have a policy.'...The new crop policy is always crucial. It is based on crop knowledge and probable price trend. Unless there is some reasonable certainty of trend, then a foolish leader, or bellwether price-cutter, can shape losses for a whole industry....Some of the strength against bad trade ethics is supplied by economic conditions, which invite conservatism instead of radical individual leadership; the ambition to accumulate and sell at cheap prices; the scramble to be first...."

Roadside
Beauty

An editorial in The Miami Herald for May 5 says: "Roadside beauty is an aim of the American Institute of Architects, which met in Washington. To bring about cooperative action throughout the Nation, the architects would draft plans and submit them to the legislatures of the different States in 1933. The organization would provide for the correction of outdoor advertising media, vending stations, roadway structures, automobile and other dumps, public service corporations, unsightly roadway embankments and cuts. Aesthetic and sanitary tourists' camps and dance halls, better bridge and structural traffic intersections, removal of unsightly poles and similar improvements were recommended. Various national bodies would assist in this commendable movement for the beautification of the highways of America. We have the paved roads, we have the automobiles, we have the far stretches of attractive open country. Now let's see that where man intrudes commercially along the road the eye is not shocked by ugliness. What can be done is shown by the Biscayne boulevard in Miami, that welcomes the motoring tourist with impressive miles of loveliness. All towns should strive for that if the proper effect is to be achieved. Build attractive filling stations. Stress beauty."

Wholesale The Bureau of Labor Statistics of the U. S. Department
Prices of Labor announces that the index number of wholesale prices for
the week ending May 14 stands at 64.9 as compared with 65.1 for
the week ending May 7. This index number, which includes 784
commodities or price series, weighted according to the importance
of each article and based on the average prices in 1926 as 100.0,
shows that a decrease of approximately one-third of 1 per cent
has taken place in the general average of all commodities for the
week of May 14, when compared with the week ending on May 7.

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Vol. XLV, No. 45

Section 1

May 23, 1932.

THE PRESIDENT'S RELIEF PLAN

President Hoover yesterday reiterated his opposition to a Federal bond issue for non-productive public works as an unemployment relief measure and urged the adoption of a 12-point relief credit program for the Nation, according to the press today. His views were stated in a 2,500-word letter to Richard S. Parker of New York, president of the American Society of Civil Engineers, who had written to the President urging a bond issue for public works construction. The response was issued at the White House yesterday afternoon after Secretary Mills had gone over it to verify fiscal figures.

The press report says: "In restating his position, the President again advised increasing the resources of the Reconstruction Finance Corporation by \$1,500,000,000 to be loaned not only to 'self-liquidating' projects of States, counties and other subdivisions' but again insisted that the corporation's authority should be extended to permit making secured loans to private industry....'The back of the depression can not be broken by any single Government undertaking,' the President's letter said. 'That can only be done with the cooperation of business, banking, industry and agriculture in conjunction with the Government.'

"The program suggested by the President includes: 1. Quick, honest balancing of the budget through drastic reduction in expenditures and minimum tax increases. 2. Avoidance of a further issue of Treasury securities. 3. Continuation of the Reconstruction Finance Corporation's activities. 4. Expansion of credit by the Federal Reserve Banks. 5. Organization of these credits into actualities for business and public bodies. 6. Unceasing effort at sound strengthening of the foundations of agriculture. 7. Continuation of public works construction that does not increase taxation, or call for a bond issue. 8. Continuation of national, community and individual efforts to relieve the distressed. 9. Introduction of a five-day week in Government offices, to prevent discharge of 100,000 employees. 10. Passage of the home loan discount bill. 11. Loans by the Reconstruction Finance Corporation to such States as are unable to care for their needy. 12. Extension of the authority of the Reconstruction Finance Corporation to permit private loans, and an increase of its own securities up to \$3,000,000,000...."

THE TAX BILL

The press yesterday said: "Seemingly deaf to pleas of leaders for swift action on the billion-dollar tax bill the Senate continued Saturday in a jam over the remaining tariff items in the measure....The opposition is now determined not only to prevent the insertion of the lumber and copper items but to take vengeance somehow for the oil and coal tariffs...."

FLOOD CLAIMS LEGISLATION

The press May 21 says: "For the first time this session the House overrode May 20 its rules committee to kill legislation to make the Federal Government liable for flowage rights over land exposed to Mississippi River flood water by levee setbacks...."

Section 2

Building Permits Reports of building permits issued have been received by the Bureau of Labor Statistics of the United States Department of Labor from 351 identical cities of the United States having a population of 25,000 or over, for the months of March, 1932, and April, 1932. The estimated cost of all buildings for which permits were issued in these 351 cities in April, 1932, was \$54,489,287. This was 19.3 per cent more than the estimated cost of building operations in these cities during the month of March, 1932. The number of permits for all building operations increased 28.3 per cent comparing these two periods. Comparing permits issued in April, 1932, and March, 1932, there was a decrease of 4.4 per cent in the number and a decrease of 9.6 per cent in the indicated expenditures for new residential buildings. New nonresidential buildings increased 41.0 per cent in number and 38.1 per cent in estimated cost. Additions, alterations and repairs increased 29.6 per cent in number and 18.6 per cent in estimated cost. During April, 1932, 3,211 family dwelling units were provided in new buildings. This is a decrease of 12.8 as compared with March. Various agencies of the United States Government awarded contracts during March for buildings to cost \$11,665,731. This valuation was higher than for either March, 1932, or April, 1931.

Cotton Exports A New York dispatch to The Chicago Journal of Commerce of May 19 says: "Exports of cotton from this country to the Orient have dwindled to small proportions after running phenomenally large most of the season, but forwardings to mills of the Orient have continued large as the heavy exports of past months have continued to move from Oriental ports to Oriental mills, according to the New York Cotton Exchange Service. Statistics on consumption by the Orient are now reflecting the actual spinning of these large supplies of the American staple."

Keynes on Conditions John Maynard Keynes, writing under the title "The World's Economic Outlook" in The Atlantic Monthly for May, says: "The immediate problem of which the world needs a solution today is different from the problem of a year ago. Then it was a question of how we could lift ourselves out of the state of acute slump into which we had fallen and raise the volume of production back toward a normal figure. But today the primary problem is to avoid a far-reaching financial crisis. There is now no possibility of reaching a normal level of production in the near future. Our efforts are directed toward the attainment of more limited hopes. Can we prevent an almost complete collapse of the financial structure of modern capitalism? With no financial leadership left in the world and profound intellectual error as to causes and cures prevailing in the responsible seats of power, one begins to wonder and to doubt. At any rate, no one is likely to dispute that for the world as a whole the avoidance of financial collapse, rather than the stimulation of industrial activity, is now the front-rank problem. The restoration of industry must come second in order of time. Nowhere, I believe, is this better understood than in the United States. The

immediate causes of the world financial panic--for that is what it is--are obvious. They are to be found in a catastrophic fall in the money value, not only of commodities, but of practically every kind of asset. The 'margins,' as we call them, upon confidence in the maintenance of which the debt and credit structure of the modern world depends, have 'run off.' In many countries the assets of the banks are no longer equal, conservatively valued, to their liabilities to their depositors. Debtors of all kinds find that their securities are no longer the equal of their debts. Few governments still have revenues sufficient to cover the fixed money charges for which they have made themselves liable. Moreover, a collapse of this kind feeds on itself. We are now in the phase where the risk of carrying assets with borrowed money is so great that there is a competitive panic to get liquid. And each individual who succeeds in getting more liquid forces down the price of assets in the process of getting liquid, with the result that the margins of other individuals are impaired and their courage undermined. And so the process continues. It is, indeed, in the United States itself that this has proceeded to the most incredible lengths. The collapse of values there has reached astronomical dimensions. I scarcely need to remind American readers of the facts. But the United States only offers an example--extreme, owing to the psychology of its people--of a state of affairs which exists in some degree almost everywhere...."

New York
Farm
Loans

Six hundred and fifty-five New York State farmers applied for the Federal emergency crop loans up to May 5, according to Lincoln D. Kelsey, assistant county agent leader at the New York State College of Agriculture at Ithaca. These applications were received from about forty counties, with the most coming from western New York counties. Erie County has been granted thirty loans, Livingston twenty-four, Monroe twenty-one, Niagara twenty-five, Ontario twenty-eight, Orleans twenty-five and Wayne twenty-six. Of the 655 applications, according to Mr. Kelsey, 104 were rejected. The average loan approved up until May 2 was \$228.91. (N.Y. Times, May 20.)

Vitamin
Dis-
coveries

An Associated Press dispatch from Cambridge, England, May 15 says: "Vitamins A, B, C, and D may be produced on an industrial basis if the discoveries of two young Cambridge scientists fulfill initial expectations. Dr. F. B. Bowden and Dr. C. P. Snow announced May 14 completion of a series of experiments which Sir Frederick Hopkins, president of the Royal Society, pronounced of 'major importance' in the study of vitamins. The scientists were confident they had produced vitamin A from carotene, described as a reddish substance found in carrots, by treating it with ultra-violet rays. They gathered evidence which led them to believe they had succeeded in identifying that part of the molecule of vitamin B which gives it its biological effects. A method of distinguishing between opposing theories regarding the nature of vitamin C was another result of their work. This may determine whether the vitamin is made up of hexuronic acid or whether it is derived from narcotine by the action of light.

Increased efficiency in the present method of manufacturing vitamin D, known commercially as calciferol, was presaged by their statement they were in a position to offer vital suggestions from their research. In the past vitamins have been produced by treating previtamins with mixed rays of light but this method has its disadvantages in that the rays have decomposed the product almost as fast as it was made."

Russian Conditions An editorial in World's Work for June says: "It is easy to stress Russia's failure or Russia's success in analyzing her gigantic effort to establish a planned economy. One can point out that since 1928 world production has declined by one third while Russian production has doubled. Or one can cite the breakdown of the \$119,000,000 Nizhni-Novgorod automobile plant as a typical example of Russian mismanagement. Let us concede that the Soviet government has accomplished wonders in building up-to-date plants and factories. Yet it is one thing to build plants with the help of foreign engineers and quite another to run them with hastily trained, inexperienced Communist enthusiasts. Where it was just a matter of building the Russians were frequently ahead of schedule. But when it came to production they at once fell behind. Numerous additional technical workers are now being trained in newly established schools. The authorities of the Kremlin are also insisting upon less talking and more work. Discipline is to be more rigid, and each plant is to have a single responsible directing head with larger authority to 'hire and fire.' The most successful industrial plants will be used as training schools and squads of first-class workers are being placed in high positions in the less efficient factories. There will be improvement, but it is safe to predict that Russia's plants will be comparatively inefficient for a long time to come...."

Section 3

Department of
Agriculture

An editorial in The Dairy Record for May 18 says: "Upon a number of occasions we have expressed our opinion of two governmental agencies, the Federal Farm Board and the U.S. Department of Agriculture, in a manner not particularly flattering to them. But this does not mean that we are not highly appreciative of some of the splendid work being done by certain divisions of the department, notably the Bureau of Dairy Industry and the Bureau of Agricultural Economics. The investigational work of the former and the statistical work of the latter are jobs which, on the whole, are being well done. The statistics of the Bureau of Agricultural Economics are indispensable to any student of dairy economics. The Dairy Record publishes only a minor part of the data which are issued by the bureau, but this is only because those reports are sent to any reader, upon request, and it is not in conformity with out policy to publish such material when it is available for general distribution from direct sources."

Section 4

MARKET QUOTATIONS

Farm Products

May 20.--Livestock at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$6.25 to \$7.75; cows, good and choice \$4 to \$5.25; heifers (550-850 lbs.) good and choice \$5.25 to \$6.25; vealers, good and choice \$5 to \$6.25; feeder and stocker cattle, steers, good and choice \$4.75 to \$6; heavy weight hogs (250-350 lbs.) good and choice \$3.05 to \$3.30; light lights (140-160 lbs.) good and choice \$3.25 to \$3.50; slaughter pigs (100-130 lbs.) good and choice \$3 to \$3.25 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$4 to \$4.50.

Grain: No.1 dark northern spring* Minneapolis 65 1/2 to 67 1/2¢; No.1 northern spring* Minneapolis 65 1/2 to 67 1/2¢; No.1 hard winter* Kansas City 53 3/4 to 54 3/4¢; No.2 hard winter* Kansas City 53 1/2 to 54 1/4¢; St. Louis 59¢ (Nom.); No.1 S.R. Winter St. Louis 57¢; No.2 S.R. winter Kansas City 53 1/2 to 55 1/2¢ (Nom.); Chicago 58¢; St. Louis 56 1/2¢; No.1 W. Wh. Portland 60 1/2¢; No.2 Am. Dur.* Minneapolis 54 3/8 to 58 3/8¢; No.1 Durum (Duluth) 61 5/8 to 64 5/8¢; No.2 rye Minneapolis 39 to 41 1/2¢; No.2 mixed corn Kansas City 33 1/2 to 34 1/2¢; Chicago 31 1/2 to 33¢; St. Louis 32 1/2¢; No.2 white corn Kansas City 33 1/2 to 34 1/2¢; St. Louis 33 1/2¢; No.2 yellow corn Kansas City 37 to 38¢; Chicago 33¢ to 33 1/4¢; St. Louis 33 1/4 to 33 1/2¢; No.3 yellow corn Minneapolis 34 1/2 to 35 1/2¢; Kansas City 35 1/2 to 37¢; Chicago 32 1/4 to 32 3/4¢; St. Louis 32 1/2 to 32 3/4¢; No.2 white oats Chicago 23 1/4 to 25¢; St. Louis 22 1/2¢; No.3 white oats Minneapolis 22 7/8 to 23 3/8¢; Kansas City 22 1/2 to 26¢; Chicago 22 1/4 to 23 3/4¢; St. Louis 22¢ (Nom.); Special No.2 barley Minneapolis 44 to 46¢; Chicago 38 to 45¢; No.1 flaxseed Minneapolis \$1.17 1/4 to \$1.20 1/4.

Florida Spaulding Rose potatoes \$5.50-\$7.50 per barrel in the East. Maine sacked Green Mountains 85¢-\$1.20 per 100 pounds in eastern cities. Wisconsin sacked Round Whites 75¢-85¢ carlot sales in Chicago; 57 1/2-60¢ f.o.b. Stevens Point. North Carolina Missionary strawberries 11¢-15¢ per quart in city markets; auction sales 32-quart crates \$2-\$4.25 f.o.b. Wallace Section. Missouri Aromas \$3.75-\$4 per 24-quart crate in Kansas City; \$3.20-\$3.50 f.o.b. Monett. California Salmon Tint cantaloupes \$5-\$7 in terminal markets; \$2 f.o.b. Brawley. Texas Yellow Bermuda onions, U. S. Commercial, \$1-\$1.35 per 50-pound sack in consuming centers; few sales 65¢-85¢ f.o.b. Coastal Bend Section.

* Prices basis ordinary protein.

Wholesale prices of fresh creamery butter at New York were: 92 score, $18\frac{1}{2}\phi$; 91 score, 18ϕ ; 90 score, 17ϕ .

Wholesale prices of No. 1 fresh American cheese at New York were: Flats, $10\frac{1}{2}$ to 13ϕ ; Single Daisies, $11\frac{1}{2}$ to 12ϕ ; Young Americas, $11\frac{1}{2}$ to $12\frac{1}{4}\phi$.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 16 to $18\frac{3}{4}\phi$; Standards, $15\frac{1}{2}$ to $15\frac{3}{4}\phi$; Rehandled Receipts, $14\frac{1}{2}$ to 15ϕ .

Average price of Middling spot cotton in the ten designated markets advanced 4 points to 5.54ϕ , per lb. On the corresponding day one year ago the price stood at 8.54ϕ . May future contracts on the New York Cotton Exchange advanced 5 points to 5.73ϕ , and on the New Orleans Cotton Exchange advanced 7 points to 5.73ϕ . (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLV, No. 46

Section 1

May 24, 1932.

RELIEF PLANS

The press today says: "Important developments toward a governmental policy on relief and unemployment measures yesterday followed President Hoover's forcible expression of opposition to a bond issue for public works. While officials of the Reconstruction Finance Corporation discussed the program to enlarge the resources of that corporation by \$1,000,000,000, two new relief plans, both sponsored by Republicans, appeared in the Senate. Senator Cutting of New Mexico... offered a bill for a \$5,000,000,000 bond issue, of which \$3,000,000,000 would be expended by the Government on highways and \$2,000,000,000 for rivers and harbors, public buildings, reforestation and other public projects. The second measure, introduced by Senator Barbour of New Jersey, would increase the lending capacity of the Reconstruction Finance Corporation by \$1,500,000,000 for 'self-liquidating projects of a national character.' It embodies the idea of J. Cheever Cowdin of New York and follows lines acceptable to the administration...."

THE TAX BILL

A two-day deadlock on tariff schedules in the billion dollar tax bill was broken last night, when the Senate voted for import duties on lumber and copper, according to the press today. The report says: "The coalition mustered 36 votes to 24 for an additional duty on lumber of \$3 per 1,000 board feet, and 45 votes to 22 for an import tax of 4 cents a pound on copper...."

BEER BILL REJECTED

The House yesterday defeated Hull-O'Connor 2.75 beer bill by a vote of 228 to 169. (Press, May 24.)

THE PRESIDENT CALLS PUBLISHER CONFERENCE

To gain the support of the newspapers in a non-partisan effort to shape public opinion in the endeavor to restore normal economic conditions, President Hoover has invited about thirty newspaper publishers to a conference at the White House Wednesday night, according to the press today. The report says: "The purpose of the conference, it was said at the White House, is to discuss cooperative community plans to aid in the solution of the economic as well as the legislative situation. The conference will be along lines similar to others the President has held in recent weeks with representatives of industry and finance...."

ROOSEVELT ISLAND BILL SIGNED

The bill to establish a memorial to President Theodore Roosevelt on Analostan Island in the Potomac was signed yesterday by President Hoover, according to the press today.

PACKERS LOSE COURT PLEA

Swift & Co. and Armour & Co. yesterday were refused a rehearing by the Supreme Court of their petition for a modification of the consent decree, according to the press today.

Section 2

Agriculture in the Depres- sion F. D. Farrell, president of Kansas State College, writing under the title "Sweet Uses of Adversity" in Successful Farming for June, says: "Adversity is impressing large numbers of farm people with this fact. Thus, it is laying the foundations for the acceptance of a rural philosophy that seems likely in the end to prevail. This philosophy holds that the chief objective of farming is not to accumulate monetary wealth but to promote human happiness in the countryside; that the farm should be regarded primarily as a home and only incidentally as a business enterprise. This philosophy is old-fashioned and in no way exciting. It promotes a high degree of farm self-sufficiency and places correspondingly little dependence on cash income. It regards farming and farm life as a lifetime profession and not as something similar to a penitentiary sentence to be gotten through with as soon as possible. It appreciates the amplitude of time and is unhurried and leisurely....But adversity also forces us to improve farm practice. It teaches many people to quit depending so much for their necessary financial income on increases in size and numbers. It helps us to learn that one often may make more net profit from 10 good cows well cared for than from 20 poor cows badly used; or from few acres well farmed than from many acres indifferently managed. It encourages us to place less emphasis on quantity and more on quality. It emphasizes the fact that while the purely business aspects of farming are supplemental rather than primary, there must be reasonably businesslike procedure; and that procedure must be in tune with a long-time program for the development, conservation, and enjoyment of both the physical and the human resources of each farm...."

Business Situation Alexander D. Noyes, writing in The New York Times of May 23, says: "The sidelights on the general situation to which probably the most attention was given last week were the absence of recovery in volume of business or distribution of goods, the export of \$63,000,000 more gold from America to Europe, and the continued abnormal weakness of investment markets. There were, however, other incidents of the week in which more interest would have been taken if the financial community had not been in a mood of so profound dejection. If the average of prices, as computed for April by the Labor Bureau statisticians, did not recover, at least its decline was so small as to mark distinctly a slackening of the general movement. The reduction of three-quarters of 1 per cent in April followed one of one-half of 1 per cent in March. The report on American bank suspensions in April accounted for the smallest monthly number in a year, except for March; their total was only one-fifth of last October. There were months in both 1929 and 1928 which reported a larger number...."

Danubian Conditions An editorial in World's Work for June says: "It is one thing to realize the need for joint European action to save the Danube area from complete bankruptcy and quite another to secure such action. Here is one more illustration of the fact that while business and finance have become international,

politics is still national. Because Italy's primary interest is prestige, Germany's is trade, and France's is control, these three can not easily agree on a policy of loans and reduced tariff barriers which would help everyone. Premier Tardieu of France started things the wrong way in March by proposing that Austria, Hungary, Czecho-Slovakia, Rumania, and Yugoslavia form a Danubian union. He sought to recreate something akin to an economic Austro-Hungarian empire with France as pater familias... France wants to exclude Germany and Italy from the Danubian tariff union. She fears that the five small countries involved might become a kind of Manchuria for German and Italian commercial expansion. Rome and Berlin point out that countries neighboring the Danube naturally have the most important trade interests there. Czecho-Slovakia is more concerned about German than French trade. Italy's trade with Austria and Hungary is far greater than that of France. The small countries in the Danube need a tariff union with their larger neighbors much more than with one another. The lines of trade cross the lines of politics. France forbade the Austro-German economic union. Germany and Austria now forbid a French-controlled Danubian union. Meanwhile bankruptcy has been confessed by Hungary, Austria, Greece, and Bulgaria...."

Depression and Morale An editorial in The Business Week for May 25 says: "We begin to realize, as one after another mechanical remedy for our troubles is tried, that something in the nature of a moral regeneration may also be necessary for recovery of our material prosperity. It is a curious fact that every serious depression in our history has been accompanied by a similar instinct, expressing itself in spontaneous manifestations of moral or religious revival. All economic events have their psychological or spiritual sources. This is essentially what we mean when we say that our main difficulty now is that our morale is broken, and that our main problem is to restore confidence and courage.... This is confidence in our country, in the unsurpassed wealth of natural resources which it possesses, in its amazing equipment of power and wealth-producing machinery, in the security of its position, in the technical knowledge and managerial skill of its active, ambitious and industrious population, and, yes, in its latent credit resources, too. Never, indeed, in history, and nowhere today in the world is there anything approaching the opportunity for prosperity and progress which the mere privilege of living in the United States has put at the disposal of this generation of the American people...."

Keynes on British World's Economic Outlook John Maynard Keynes, writing under the title "The British World's Economic Outlook" in The Atlantic Monthly for May, says: Conditions "...Meanwhile the problem of reparations and war debts darkens the whole scene. We all know that these are now as dead as mutton, and as distasteful as stale mutton. There is no question of any substantial payments being made. The problem has ceased to be financial and has become entirely political and psychological... Moreover, there has been a still recent and, in my judgment, most

blessed event of which we have not yet had time to gain the full benefit. I mean Great Britain's abandonment of the gold standard. I believe that this event has been charged with beneficent significance over a wide field. If Great Britain had somehow contrived to maintain her gold parity, the position of the world as a whole today would be considerably more desperate than it is, and default more general. For Great Britain's action has had two signal consequences. The first has been to stop the decline of prices, measured in terms of national currencies, over a very considerable proportion of the world. Consider for a moment what an array of countries are now linked to the fortunes of sterling rather than of gold: Australasia, India, Ceylon, Malaya, East and West Africa, Egypt, and Scandinavia; and, in substance, though not so literally, South America, Canada, and Japan. Outside Europe there are no countries in the whole world except South Africa and the United States which now conform to a gold standard. France and the United States are the only remaining countries of major importance where the gold standard is functioning freely. This means a very great abatement of the deflationary pressure which was existing six months ago....As regards Great Britain herself, the world has a little overlooked, I think, the change since last September, which represents, if not an absolute, at least a relative improvement. The number of persons employed today exceeds by 200,000 the number employed a year ago--which is true of no other industrial country. This has been achieved in spite of the fact that there has been, even during the past year, a further rise in real wages; for, while money wages have fallen by 2 per cent, the cost of living, in spite of the depreciation of the sterling exchange, has fallen by 4 per cent. And the explanation is an encouragement for the future. For the explanation lies in the fact that over a wide field of her characteristic activities Great Britain today is once again the cheapest producer in the world. The forces set on foot last September have by no means had time to work their full effect. Yet even today--though, since popular knowledge of a foreign country is always out of date, it may surprise you that I should say so--Great Britain is decidedly the most prosperous country in the world...."

Section 3

Department of
Agriculture

An editorial in The Baltimore Sun of May 21 says:

"In the United States Department of Agriculture's current report on 'The Price Situation' there is a striking statement of one of the major causes of the Nation's present economic plight. It reads: 'The index of prices paid by farmers in April was about 114 per cent of the pre-war average, compared with 59 per cent for prices received by farmers. This indicates that twenty years ago "one wagon load of farm products" would have bought as much farm supplies as two wagon loads buy today.' While this halving of the purchasing power of 'one wagon load of farm products' does not necessarily mean that there has been a similar shrinkage in

the purchasing power of the farm population, because it does not take into account such things as increased farm production, it does indicate that the farmer is working at a paralyzing disadvantage in trading his products for those of industry generally. And until some way is discovered to relieve this paralysis, there can be no promise of a revival of general and stable prosperity."

Section 4 MARKET QUOTATIONS

Farm Products

May 23.--Grain: No.1 dark northern spring* Minneapolis 68 3/4 to 70 3/4¢; No.1 northern spring* Minneapolis 68 3/4 to 70 3/4¢; No.1 hard winter* Kansas City 56 to 58¢; No.2 hard winter* Kansas City 55 3/4 to 57 1/2¢; St. Louis 62¢; No.1 S.R. Winter St. Louis 60 to 60 1/2¢; No.2 S.R. Winter Kansas City 55 3/4 to 59 1/2¢; St. Louis 59 to 59 1/2¢; No.1 W. Wh. Portland 62¢; No.2 Am. Dur.* Minneapolis 57 5/8 to 61 5/8¢; No.1 Durum (Duluth) 64 to 67¢; No.2 rye Minneapolis 39 5/8 to 42 5/8¢; No. 2 mixed corn Kansas City 34 to 35¢; Chicago 33 1/4 to 33 3/4¢; St. Louis 33 1/2¢; No.2 white corn Kansas City 34 to 35¢; St. Louis 34¢; No.2 yellow corn Kansas City 37 1/2 to 38 1/2¢; Chicago 33 1/2 to 33 3/4¢; St. Louis 34¢; No.3 yellow corn Minneapolis 34 1/2 to 35 1/2¢; Kansas City 36 to 37 1/2¢; Chicago 33 1/4¢; St. Louis 33 to 33 1/2¢; No. 2 white oats Chicago 23 3/4 to 25¢; St. Louis 23 1/4¢ (Nom.); No.3 white oats Minneapolis 22 7/8 to 23 7/8¢; Kansas City 23 to 26¢ (Nom.); Chicago 22 to 23 1/2¢; St. Louis 22 1/2 to 22 3/4¢; Special No.2 barley Minneapolis 44 to 46¢; Chicago 38 to 45¢; No.1 flaxseed Minneapolis \$1.19 1/2 to \$1.22 1/2.

Livestock at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$6 to \$7.75; cows, good and choice \$4 to \$5; heifers (550-850 lbs.) good and choice \$5 to \$6; vealers, good and choice \$5 to \$6; feeder and stocker cattle, steers, good and choice \$4.75 to \$6; heavy weight hogs (250-350 lbs.) good and choice \$3 to \$3.30; light lights (140-160 lbs.) good and choice \$3.15 to \$3.40; slaughter pigs (100-130 lbs.) good and choice \$3 to \$3.25 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$4.50 to \$5.

Florida Spaulding Rose potatoes \$4.50-\$7.50 per barrel in the East. Alabama and Louisiana sacked Bliss Triumphs \$3.40-\$3.50 per 100 pounds in Cincinnati; few \$2.75 f.o.b. Baton Rouge. Maine sacked Green Mountains 85¢-\$1.15 in eastern cities. Wisconsin sacked Round Whites 80¢-85¢ carlot sales in Chicago; 55¢-60¢ f.o.b. Stevens Point. California Salmon Tint cantaloupes \$4.25-\$5 per standard crate of 45 melons in consuming centers; \$1.75-\$1.85 f.o.b. Brawley. Texas Yellow Bermuda onions, U.S.

*Prices basis ordinary protein.

Commercials, 85¢-\$1.25 per 50-pound sacks in city markets; 60¢-65¢ f.o.b. Coastal Bend Section. North Carolina Missionary strawberries 9¢-14¢ per quart in the East; 32-quart crates, small \$2-\$3.90 f.o.b. Wallace. Missouri Aromas \$3.50-\$5 per 24-quart crate in a few cities; \$3.25 f.o.b. Monett.

Average price of Middling spot cotton in the ten designated markets advanced 5 points to 5.57¢ per lb. On the corresponding day one year ago the price stood at 8.09¢. July future contracts on the New York Cotton Exchange advanced 7 points to 5.82¢, and on the New Orleans Cotton Exchange advanced 7 points to 5.84¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 18¢; 91 score, 17½¢; 90 score, 17¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 10½ to 13¢; Single Daisies, 11½ to 12¢; Young Americas, 11½ to 12¼¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 16 to 18½¢; Standards, 15 to 15½¢; Rehandled Receipts, 14¼ to 14½¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLV, No. 47

Section 1

May 25, 1932.

THE TAX BILL

The press today says: "The Senate returned to consideration of the revenue features of the billion-dollar tax bill last night after a six-day excursion into tariffs, farm relief and general discussions on the economic plight of the country. A new urge for speed seized the body soon after it defeated late yesterday afternoon the export debenture plan, proposed as an amendment to the bill, by a vote of 46 to 33. Following this ballot the Senate made quick work of eliminating the House provisions for excise levies on cosmetics, furs and jewelry; passed over the section dealing with the proposed rubber tax and took up the next controversial item in the bill, the excise on automobiles, trucks and accessories. As soon as the automobile section was reached Senator Bingham proposed to substitute a tax on 2.75 per cent beer by weight. Senator Vandenberg moved to strike out the entire section, and so the fight on the automobile tax was formally launched...."

ROADS APPROPRIATION APPROVED

The House roads committee yesterday approved the Almon bill to authorize appropriations of \$219,000,000 for highway construction, according to the press today. The report says: "The measure would authorize \$100,000,000 in Federal highway aid to States in both of the fiscal years 1934 and 1935, \$7,500,000 for forest roads and trails each year. It also would authorize \$2,000,000 for highway construction on public and non-taxable lands in 1933 and 1934. The House already has approved a bill to authorize \$132,000,000 for highway construction in the next fiscal year."

INFLATION PLAN PROPOSED

The press today says: "Temporary currency inflation based on United States Government bonds was tentatively suggested yesterday by Senator Glass as a substitute for the Goldsborough bill to stabilize the dollar on a 1926 purchasing level....Briefly, Mr. Glass has in mind a scheme of 'diffusive' inflation, whereby some series of outstanding Government bonds could be designated for the same circulation privilege now enjoyed by the 2 per cent consols of 1930, or 'Panama 2s,' as they are known. Under this plan a national bank possessing \$100,000 worth of bonds might 'for a restricted period of time' be able to obtain \$95,000 in bank notes, as may be done with the 'Panama 2s.'...."

WAR DEBT REPAYMENTS

The press today states that formal acknowledgment of their twelve months' indebtedness to the United States, postponed as a result of the Hoover moratorium, will be made by Great Britain and the other European debtor nations of the United States, it became known at Washington yesterday. The report says: "Under the terms of the agreement, all the countries which benefited by the postponement will acknowledge their obligation to repay the postponed annuity over a period of ten years beginning with 1933...."

Section 2

Business The Business Week for May 25 says: "So far this month
Conditions there has been no marked change for the worse in the picture
 of production and trade as a whole....Most measures of business
 activity, as distinguished from security market and financial
 sentiment, have in fact made a bit better showing in the first
 half of May than in the last half of April and seem to be reach-
 ing some sort of stabilization basis....Steel production shows
 a slow but steady unseasonal rise which reflects moderately in-
 creasing automobile output and is expected to continue well into
 the summer....Building contracts have improved so far in May
 contrary to seasonal expectations, due solely to public construc-
 tion which now exceeds private and has become the main reliance
 of the industry....Check payments continue the rising trend they
 have shown since February, and most other indicators are fairly
 steady....Federal Reserve policy has checked the decline in bank
 deposits, built up reserves and reduced member bank borrowing,
 but has not yet been effective in initiating active credit ex-
 pansion....Continued weakness of the bond market in spite of
 record low rates for short-term Government financing reflects
 the blue funk in banking circles arising from increasing uncer-
 tainty about congressional action on revenue and relief measures
 and on recess or adjournment....The movement for public capital
 investment projects gains momentum as April employment figures
 show a precipitous collapse and as absence of private investment
 initiative or bank credit expansion evidences increasing paralysis
 of the normal processes of recovery."

Dairy An editorial in Dairy Produce for May 20 says: "The idea
Situation that relief in the present dairy situation lies in a larger con-
 sumption of milk and butter at points of production, including
 the country towns, is receiving more advocates every day. In
 the near future we may expect to see active campaigns in progress
 all over the country with this object in view. To induce greater
 consumption of milk and its products in the large centers of
 population is not promising. We have seen a number of times of
 late months where a drop in the price of butter that would ordi-
 narily bring an immediate increased demand, have no appreciable
 effect. The big centers appear to have reached their limit,
 whatever the cause may be, in buying power; and, therefore, if
 the butter situation is to be improved it must come in the coun-
 try. We know there are possibilities of a much greater consump-
 tion of milk and its products on the farms and in the country
 districts....We have more cows this year than last. We have on
 the part of the producer the inducement of necessity to milk his
 cows to the limit. We know that dairy products are the best
 hope of the farmer for profit, and that production of dairy prod-
 ucts, providing the season is even normal, will be greater than
 it was last year. With little chance of increased consumption
 in the large centers we must find it in the country. This idea
 of increasing consumption of milk and other dairy products at
 the source has been taken up seriously in Pacific and other
 Western States, the start being made in California. The plan

calls for State organizations to carry on the work according to a definite plan of campaign, and we are sure expected results will be realized. The plan is an excellent one to not only meet the present situation but for the future good of the industry. The idea in Minnesota that is making encouraging headway, to induce bakers to use milk and butter exclusively in their output, is a splendid addition to other plans for increasing consumption of milk and its products."

Diet Vienna correspondence of The Journal of the American
Therapy Medical Association for May 21 says: "At a special meeting of
the Vienna Medizinisches Doktoren Kollegium, Dr. Gerson delivered
an instructive address on his salt-free diet. By means of
roentgenograms he showed that also in cases of pulmonary tuber-
culosis satisfactory results may be obtained, although many in-
vestigators do not share his opinion. The progressive contrac-
tion of the lung foci could be plainly shown. Dr. Gerson showed
how he succeeded, without injuring the organism, in reducing the
daily chlorine elimination to from 1.5 to 2.0 Gm., thus bringing
about decisive changes in the organism. His absolutely salt-free
diet he was able to apply for years to himself, his family and
to more than a thousand persons without noting any disadvantages.
The most difficult part of his diet therapy is connected with the
protein intake. At the beginning of his research he observed
that by drastic reduction of the protein intake many chronic
dermatoses (eczemas), and also asthma and migraine, clear up. By
adding again animal proteins to the diet they can, however, be
brought out again. He uses now the following method: He gives,
the first week, no protein at all, then slowly increases the amount
up to from six to eight egg yolks. Afterward, he allows the pa-
tient a little liver for breakfast, and after from four to six
hours another small amount. Later soft cheeses are given, for
breakfast, from 3 to 10 Gm., and afternoons, from 10 to 30 Gm.
Finally, he goes over to kefir and buttermilk. Potatoes with un-
salted butter, and also oatmeal, are allowed. A little later,
fish and meat may be given once or twice a week. Dr. Gerson ex-
plains his success as due chiefly to the 'antiphlogistic' factors
that his diet produces. A diet rich in potassium, but salt-free
and poor in proteins, acts favorably, according to his experience,
in lupus and in the presence of keloids; also in about 45 per
cent of the cases of migraine. In about 55 per cent, however,
there remains a hypersensitiveness to salt or protein. The action
of the new diet therapy in migraine is based, in his opinion, on
an overcoming of the spasm of the blood vessels and thus of the
central nervous system. In itching eruptions, associated with
high blood pressure (angina pectoris), the ingestion of large
quantities of vegetable juices is especially important. Also in
mental diseases excellent results have been recorded, so that
Gerson urged his audience to experiment in that direction...."

Kansas Tax Studies An editorial in *Successful Farming* for June says: "Kansas farm organizations, in cooperation with the Kansas State College, and Kansas University, are sponsoring a systematic study of tax problems. The course is based on a series of 13 lessons prepared at the State college. Several hundred copies have been distributed to various farm clubs in the State by the Kansas Farm Bureau. The Grange and the Farmers' Union are equally active in this work. Such interest indicates good citizenship and can not be too highly commended. Our tax problems are quite easily traced to our own lack of interest and indifference. School expenses in rural districts are burdensome while few patrons are completely satisfied with what these schools offer. Blindly reducing the pay of teachers without determining why school costs are higher in one district than in a neighboring one, lowers standards without giving tax relief which amounts to anything. Progress toward larger and more efficient school units is nearly at a standstill because of tax problems, and plain cussedness in many districts. Out of every tax dollar spent in 11 Ohio counties in 1930, schools required 36 cents, the largest single item. We are passing through strenuous times, but the experience will produce lasting good if it drives us to shoulder our responsibility as members of a great democracy...."

New England Marketing An editorial in *New England Homestead* for May 21 says: "Experience of New Hampshire potato growers in enlarging their market the past three years offers suggestions to farmers elsewhere in New England. A survey by the State experiment station showed that 197,000 bushels of potatoes were imported into New Hampshire each year with local growers 'holding the bag.' They decided to do something about it and found the chain stores would welcome a local product of quality delivered in a dependable manner. It was as good for the stores as it was for local farmers. So the tie-up was made, not through a top-heavy organization but by simple agreement for a group of farmers to supply local chains with a good product in a dependable manner at a minimum price based on Government quotations on the Boston market. The plan took hold from the start, with the result that New Hampshire potato growers this season will supply 137 stores throughout the State with 100,000 bushels of home-grown spuds, advertised as a leader by the chains as a local product. Now, why isn't that a sensible procedure for other sections, notably in southern New England? *New England Homestead* knows of one Massachusetts section where it was presented to farmers. They appeared interested but wanted a guaranteed price that would assure them a profit. That desire is natural, but is there any other commodity the farmer grows where that is common? Our observation is that he always has to take his chances on what prevailing prices will be. He is handicapped by having to look so far ahead. He sizes up all the things he might do, checking chances against each other, and acts accordingly. Usually the local market is the best market and hence the appeal of these New Hampshire potato growers in making arrangements to hold it against all comers."

Section 3

Department of
Agriculture

The Baltimore Sun of May 24 says: "Arthur M. Hyde, Secretary of Agriculture, and a number of the country's most prominent forest conservationists will be among the speakers at the fifty-seventh annual conference of the American Forestry Association at Baltimore Thursday and Friday. The conference will be held jointly with the annual meeting of the Maryland Forestry Association, and headquarters will be at the Lord Baltimore Hotel. While Mr. Hyde's talk on Thursday afternoon will be on the cost and cure of soil erosion, other addresses will deal with important phases of the country's water situation. The conference will consider suggestions to help focus public opinion on the importance of watersheds."

Section 4

MARKET QUOTATIONS

Farm
Products

May 24.--Grain: No.1 dark northern spring* Minneapolis 67 1/8 to 69 1/8¢; No.1 northern spring* Minneapolis 67 1/8 to 69 1/8¢; No.1 hard winter* Kansas City 55 1/2 to 56 1/2¢; No.2 hard winter* Kansas City 55 to 56¢; St. Louis 61¢; No.1 S.R. Winter St. Louis 58 1/2¢ (Nom.); No.2 S.R. Winter Kansas City 56¢; St. Louis 58¢; No.1 W. Wh. Portland 61¢; No.2 Am. Dur.* Minneapolis 55 3/4 to 59 3/4¢; No.1 Durum (Duluth) 58 3/4 to 60 3/4¢; No.2 rye Minneapolis 37 7/8 to 39 7/8¢; No.2 mixed corn Kansas City 33 to 34 1/2¢; St. Louis 32 1/2¢; No.2 white corn Kansas City 33 to 34 1/2¢; St. Louis 33¢; No.2 yellow corn Kansas City 36 1/2 to 38¢; St. Louis 33 1/4¢; No.3 yellow corn Minneapolis 34 to 35¢; Kansas City 35 to 37¢; Chicago 31 3/4 to 33¢; St. Louis 32 3/4 to 33¢; No.2 white oats Chicago 23 1/2 to 24 1/4¢; St. Louis 23¢; No.3 white oats Minneapolis 22 7/8 to 23 7/8¢; Kansas City 22 1/2 to 26¢ (Nom.); Chicago 22 1/4 to 23 1/4¢; St. Louis 22 1/2¢; Special No.2 barley Minneapolis 44 to 45¢; Chicago 38 to 45¢; No.1 flaxseed Minneapolis \$1.16 to \$1.19.

Livestock: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$6 to \$7.85; cows, good and choice \$3.75 to \$4.75; heifers (550-850 lbs.) good and choice \$5 to \$6; vealers, good and choice \$5 to \$6; feeder and stocker cattle, steers, good and choice \$4.75 to \$6; heavy weight hogs (250-350 lbs.) good and choice \$3.05 to \$3.35; light lights (140-160 lbs.) good and choice \$3.15 to \$3.40; slaughter pigs (100-130 lbs.) good and choice \$3 to \$3.25 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs good and choice (90 lbs. down) \$4.50 to \$5.

Florida Spaulding Rose potatoes \$5-\$6.75 per double-head barrel in the East. South Carolina Cobblers \$4.50-\$6 per stave barrel in city markets. Alabama and Louisiana sacked

* Prices basis ordinary protein.

Bliss Triumphs \$2.75-\$3 per 100 pounds carlot sales in Chicago; few \$2.75 f.o.b. Baton Rouge. Maine sacked Green Mountains 80¢-\$1.15 in eastern cities. Wisconsin sacked Round Whites 85¢-90¢ carlot sales in Chicago; mostly 60¢ f.o.b. Stevens Point. Virginia Pointed type cabbage \$1-\$1.25 per 1½-bushel hamper in terminal markets. Texas Round type \$3-\$3.50 per western lettuce crate in consuming centers; \$1.75-\$2 f.o.b. Corpus Christi District. Texas Yellow Bermuda onions, U. S. Commercial, 80¢-\$1.15 per 50-pound sack in city markets; 55¢-60¢ f.o.b. Coastal Bend section. California Salmon Tint cantaloupes \$3.50-\$4.75 per standard 45's in consuming centers; \$1.65-\$1.75 f.o.b. Brawley. North Carolina Missionary strawberries \$2-\$2.50 per 32-quart crate in Philadelphia; \$1.50-\$2.50 f.o.b. Wallace. Missouri Aromas \$2.50 per 24-quart crate in Kansas City; \$2.75 f.o.b. Monett.

Average price of Middling spot cotton in the ten designated markets declined 15 points to 5.42¢ per lb. On the corresponding day one year ago the price stood at 7.97¢. July future contracts on the New York Cotton Exchange declined 16 points to 5.66¢, and on the New Orleans Cotton Exchange declined 14 points to 5.70¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 18¢; 91 score, 17½¢; 90 score, 17¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 10½ to 13¢; Single Daisies, 11½ to 12¢; Young Americas, 11½ to 12¼¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Umer Barry Company quotations) were: Special Packed, 15 to 17¾¢; Standards, 14½ to 14¾¢; Rehandled Receipts, 13½ to 14¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLV, No. 48

Section 1

May 26, 1932.

THE PRESIDENT CONFERS WITH PUBLISHERS

The general economic situation was the subject of a conference at the White House last night between the President and thirty-eight newspaper publishers from States east of the Rocky Mountains, according to the press today. The report says: "The conference was general in nature and was strictly along non-partisan lines, said a statement from the White House. In calling the conference the purpose of the President was said to be to bring about closer cooperation between the Government and the newspapers of the country in creating a better understanding by the people of the economic problems the Government is seeking to solve. The need of balanced budget, the application of rigid economy in Government expenditures, State and local as well as Federal, and the evil effects of hoarding and unemployment were understood to be among the subjects discussed...."

THE TAX BILL

The press today says: "Whipped into a fighting mood by new threats of a general sales tax and further appeals on the necessity for balancing the budget, the Senate last night directed its finance committee to restore to the tax bill virtually all the special excise taxes it discarded three weeks ago at the request of Ogden L. Mills, Secretary of the Treasury. This new turn in the progress of revenue legislation occurred shortly after the body had stricken approximately \$14,000,000 from the bill through rejection of the finance committee's proposed rate of taxes on passenger automobiles. Last night the Senate took a \$2,000,000 swipe at the measure by voting down the committee's rates on auto trucks....Among the items expected to come back into the bill are the special levies on toilet preparations, furs, jewelry, mechanical refrigerators, sporting goods, firearms, matches, cameras and soft drinks. The list will anticipate a total estimated revenue yield of \$70,500,000...."

RELIEF BILL INTRODUCED

Senator Wagner, chairman of a special Democratic committee of the Senate, yesterday introduced the party's relief bill providing \$2,300,000,000 for immediate State loans for unemployment, Federal works and loans for self-liquidating enterprises. It was referred to the banking and currency committee, pending disposal of the tax and economy bills. The bill embodies provisions previously announced by Senator Robinson of Arkansas, the minority leader, and includes detailed instructions concerning the use to which the money for public works is to be put. (Press, May 26.)

CHICAGO WHEAT MARKET

A Chicago dispatch today says: "Members of the Board of Trade at Chicago expect the wheat pit to become again an attractive speculative center; eastern speculators are taking more interest in the market. Jesse L. Livermore, grain, stock and cotton operator, is in Chicago....Arthur W. Catten...spent most of yesterday in the wheat pit. He also visited the provision pit...."

Section 2

"Back to
Land"
Slogan

An editorial in The Washington Daily News for May 25 says: "The country is being barnstormed by enthusiasts shouting a slogan that is likely to prove particularly stirring in these days of city unemployment and spring. It is that seductive old slogan, 'Back to the land!' Americans love slogans. But they should be particularly cautious about adopting this all-too-simple remedy for the complicated problem of unemployment. An adventure in rustic life is likely to prove tragic to a family fresh from the city streets. A little farm productive enough to support a family would prove an ideal answer to a man without a job. But he should have some capital and experience and he must have infinite courage and patience. Harm will come from such propaganda as is being put out by a weekly magazine, painting in glowing colors the possibilities of settling the army of unemployed on the 180,000,-000 acres of unsettled public domain. These lands, minus irrigation, are good only for stock and stock requires plenty of money. The 640 acres allowed a settler under the homestead acts is too small for grazing. Reclamation farms require \$2,000 in capital and two years experience. The National Advisory and Legislative Committee on Land Use says: 'There is need for a public policy in guiding and directing this movement and preventing exploitation.' Wisely, the committee suggests that better opportunities lie in providing unemployed with garden plots near the cities, where they can augment wages with small farm incomes."

Bank
Reform
Program

A comprehensive plan of action "to eliminate the weaknesses and add to the strength of modern American banking" was presented at Memphis, Tenn., May 25, by R. S. Hecht, president of the Hibernia Bank & Trust Company of New Orleans and chairman of the economic policy commission of the American Bankers Association, in an address before the tri-state convention of bankers from Arkansas, Mississippi and Tennessee. Mr. Hecht said: "1. No bank, state or national, should be allowed to begin operations with capital less than \$50,000....2. Consolidations of banks should be carried out to reduce banking facilities wherever necessary to coordinate them with local economic needs and to eliminate weak banks and strengthen the retained institutions. 3. Branch banking within the States should be extended by the States to allow strong local financial center banks to extend facilities to communities lacking adequate banking facilities. 4. National banks should be given all such branch powers within the States of their domicile as are granted to State banks there. 5. Investment affiliates of all banks, both State and national, should report to and be supervised by the bank supervisory authorities. 6. Corporate group bank organizations should be fully subject, as an operating entity, to the bank supervisory authorities, but the operations of those well conceived and administered organizations of this type which are rendering inestimable services in certain localities should not be interfered with. 7. The Federal Reserve authorities should be given and should exercise reasonable power against improper use of Federal Reserve credit for speculative purposes, but not to an autocratic extent or in interference with normal banking operations. 8. A Federal

Liquidating Corporation to hasten relief to depositors of closed banks is desirable during the period of clearing up the present emergency and its results, but the capital funds should not be forced from the banks, nor should this plan be considered or become established in any sense as a public guarantee of bank deposits.

Credit
Condi-
tions

The Federal Reserve Bulletin for May says: "Banking conditions, which had begun to improve in February, showed further progress in April for the third consecutive month. The number of bank failures continued to be relatively small, and there was a further return of currency from hoarding to the banks. Additional purchases of United States Government securities by the Federal reserve banks were reflected in a decrease throughout the country of member bank indebtedness; in addition, reserve balances of the member banks showed a considerable growth, and after the middle of April there was a substantial amount of excess reserves to the credit of member banks, particularly in New York City. In these circumstances money rates in the open market declined to low levels, with rates for prime bankers' acceptances of short maturity at seven-eighths of 1 per cent, the level in the middle of last year. Member bank credit, as measured by loans and investments, showed an increase at banks in New York City, but declined further at reporting member banks outside New York City. An important factor in easing the money market during recent weeks, in addition to the continued inflow of currency from circulation, was the purchase by the reserve banks of Government securities in the open market. During the four weeks from April 6 to May 4 these purchases amounted to \$400,000,000, bringing the increase in the system's holdings since February 24 to \$550,000,000 and the total holdings of the system to approximately \$1,300,000,000, by far the largest that the reserve banks have ever had. The immediate effect of these open-market operations has been to enable member banks to reduce their indebtedness at the reserve banks and to accumulate excess reserves...."

Dutch
Rubber
Abandoned

The Government Bureau of Statistics of the Dutch East Indies has announced that tapping of rubber trees on 256 estates has been completely abandoned, and that tapping on 130 other estates has been partly abandoned, according to a statement issued May 24 by the Rubber Exchange of New York. The unkept rubber area of the Dutch rubber growing region is now 122,967 acres, or 13 per cent of the total taxable area. Production of rubber on small estates in Malaya during April totaled 11,596 tons, and that on large estates, 18,968 tons, the Exchange said. In March, small estates produced 11,434, and large ones 18,462 tons. Stocks on estates at the end of April totaled 20,730 tons, against 20,831 tons at the end of March, while dealers' stocks totaled 26,712 tons, compared with 27,416 tons in March. (N.Y. Times, May 25.)

Game An editorial in Pennsylvania Farmer for May 28 says:
Cropping "Under a law enacted in 1929 Michigan farmers are organizing for the production and marketing of a new crop--game. They will at the same time solve the hunting problem and abolish much of the trespass nuisance. Organization under the law is not difficult. Any group of farmers may form a game preserve or a commercial hunting preserve under a permit issued by the State. The land must be posted with signs provided by the State. Each preserve must be stocked with a minimum of 100 game birds of whatever species desired. Hunting is restricted to those given cards or permits by the landowners. They may charge a fee for every piece of game taken by the hunters but they must put a State tag on each piece. This looks like a good plan for both farmers and sportsmen. It assures a supply of game and it provides pay for those who raise it and allow others to hunt it."

Undulant C. P. Beattie, M.B. Edin., special assistant in the
Fever bacteriology department of the University of Edinburgh, writing on "Undulant Fever Produced by Brucella Abortus" in The Lancet for May 7, says: "Much interest has recently been shown in the reports of cases of undulant fever in this country due to the Brucella abortus. The first possible mode of infection is through direct contact with animals harboring the organism. Farmers, veterinary surgeons, abattoir workers, and employees in the meat-packing industry may be thus infected....The second possible source of infection, the drinking of milk containing this organism, must be regarded as the commoner, and it has been long known that Br. abortus localizes in the udder of infected cows and may persist for long periods....An investigation into the prevalence of tubercle bacilli in milk carried out during the past year for the Department of Health for Scotland has provided the opportunity of inquiring also into the frequency of the occurrence of Br. abortus in market milk. The results obtained are of some value in amplifying the information already available. The milk samples received were of three classes: pasteurized, 'retailed,' and 'raw.' The 'retailed' milk was that sold in dairies in the city of Edinburgh. In many cases the sample was a mixed one containing milk from more than one source. The 'raw' milk was that delivered to dairies and each sample came from a single source....The investigation is being continued and an endeavor will be made to determine what accessory factors are concerned in human infection. Although the proportion of raw mixed shop milk in Edinburgh containing Br. abortus has been shown to be about 35 per cent, only a very small number of cases of the disease have come to notice. The porcine strain of the organism is considered to be the more pathogenic to man, and in one of the two cases in which the organism was cultured it was of porcine type. But out of 36 strains cultivated from milk samples none would appear to be of porcine type. Plastridge and McAlpine in an examination of 129 strains of Br. abortus from human sources found 63 to be bovine and 66 porcine. Taking into account the large amount of raw milk drunk and the comparatively small number of people handling pigs these figures would seem to be out of proportion to the chances of infection. Plastridge and McAlpine,

however, justly point out that the porcine strain is more easily cultivated than the bovine. The relative virulence of strains isolated from milk have to be examined, and also the question of natural immunity. As far as the investigation has gone it would seem to show:--(1) That the possibility of infection from re-tailed raw milk is considerable. In Edinburgh 34.9 per cent of such milk samples have been found to contain Br. abortus. (2) That the test for the presence of Br. abortus agglutinins in the sera of guinea-pigs inoculated with milk provide a sufficiently accurate method of estimating the prevalence of Br. abortus in milk samples. This method can easily be adopted during the biological examination of milk for tubercle bacilli. (3) That of 36 strains of Br. abortus isolated from milk in Edinburgh all were of bovine type. (4) That a definite proportion of febrile illnesses which resemble enteric fever is undulant fever. In Edinburgh out of 24 such cases four were cases of undulant fever."

Section 3 MARKET QUOTATIONS

Farm Products

May 25.--Livestock: Slaughter cattle, calves and vealers; steers (1100-1500 lbs.) good and choice \$6.25 to \$7.85; cows, good and choice \$3.75 to \$4.75; heifers (550-850 lbs.) good and choice \$5 to \$6; vealers, good and choice \$5 to \$6; feeder and stocker cattle, steers, good and choice \$4.75 to \$6; heavy weight hogs (250-350 lbs.) good and choice \$3 to \$3.30; light lights (140-160 lbs.) good and choice \$3.10 to \$3.35; slaughter pigs (100-130 lbs.) good and choice \$2.85 to \$3.15 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$4.75 to \$5.25.

Grain: No.1 dark northern spring* Minneapolis 66 3/8 to 68 3/8¢; No.1 northern spring* Minneapolis 66 3/8 to 68 3/8¢; No.1 hard winter* Kansas City 55 1/4 to 56 1/4¢; No.2 hard winter* Kansas City 55 to 56¢; St. Louis 60 1/2 (Nom.); No.1 S.R.Winter St. Louis 58 to 59¢; No.2 S.R. Winter Kansas City 55 1/4¢; Chicago 59 3/4¢; St. Louis 58¢; No.1 W. Wh. Portland 61¢; No.2 Am. Dur.* Minneapolis 56 3/8 to 60 3/8¢; No.1 Durum (Duluth) 59 3/8 to 61 3/8¢; No.2 rye Minneapolis 37 3/4 to 39 3/4¢; No.2 mixed corn Kansas City 32 to 33 1/2¢; Chicago 32 3/4¢; St. Louis 32 to 32 1/2¢ (Nom.); No. 2 white corn Kansas City 32 to 33 1/2¢; No.2 yellow corn Kansas City 33 1/2 to 34 1/2¢; Chicago 32 1/2 to 33¢; St. Louis 32 1/2 to 33¢ (Nom.); No.3 yellow corn Minneapolis 33 to 34¢; Kansas City 32 to 33 1/2¢; Chicago 31 3/4 to 32 1/4¢; St. Louis 32¢; No.2 white oats Chicago 23 1/4 to 24 1/4¢; St. Louis 23¢ (Nom.); No.3 white oats Minneapolis 22 1/2 to 23 1/2¢; Minneapolis 22 1/2 to 26¢; Chicago 22 to 22 1/2¢; St. Louis 22 1/2¢; Special No.2 barley Minneapolis 44 to 45¢; Chicago 38 to 45¢; No.1 flaxseed Minneapolis \$1.15 to \$1.18.

*Prices basis ordinary protein.

South Carolina Cobbler potatoes \$4.50-\$5.25 per stave barrel in eastern cities. Alabama and Louisiana sacked Bliss Triumphs \$2.85-\$3.50 per 100 pounds in city markets; \$2.50 f.o.b. Mobile. Maine sacked Green Mountains 80¢-\$1.20 in the East. Wisconsin sacked Round Whites 80¢-85¢ carlot sales in Chicago; 60¢ f.o.b. Stevens Point. Texas Yellow Bermuda onions, U.S. Commercials, 85¢-\$1.25 per 50-pound sacks in consuming centers; 50¢-55¢ f.o.b. Coastal Bend Section. North Carolina Missionary strawberries 5¢-10¢ per quart in a few cities; 32-quart crates, \$1.50-\$3.20 f.o.b. Wallace Section. Missouri Aromas \$2.50 per 24-quart crate in Kansas City; \$2.50 f.o.b. Monett. California Salmon Tint cantaloupes \$3.50-\$4.50 per standard 45s in terminal markets; \$1.50-\$1.65 f.o.b. Brawley.

Wholesale prices of fresh creamery butter at New York were: 92 score, 18¢; 91 score, 17½¢; 90 score, 17¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 10½ to 13¢; Single Daisies, 11½ to 12¢; Young Americas, 11½ to 12¼¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 15-17¾¢; Standards, 14½-14¾¢; Rehandled Receipts, 13½-14¢.

Average price of Middling spot cotton in the ten designated markets remained unchanged at 5.42¢ per lb. On the corresponding day one year ago the price stood at 7.94¢. July future contracts on the New York Cotton Exchange advanced 1 point to 5.67¢, and on the New Orleans Cotton Exchange declined 3 points to 5.67¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

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Vol. XLV, No. 49

Section 1

May 27, 1932.

TAX LEGISLATION

The press today says: "Another test on the manufacturers' sales tax as a means of raising the bulk of new revenue needed to balance the budget in the fiscal year 1933 is near in the Senate, following the restoration yesterday of a long list of unpopular excises to the billion-dollar tax bill. Encouraged by reports that President Hoover had shown favor for the sales tax in discussing the matter with visiting publishers at the White House May 25, a Senate group headed by Senators Reed of Pennsylvania and Walsh of Massachusetts was organizing a coalition to restore the levy which caused such an uproar in the House. Plans were completed to bring up the sales-tax amendment already introduced by Mr. Walsh as soon as final action has been taken on the special taxes in the pending bill, probably today or tomorrow; this would bring the sales tax show-down probably early next week...."

RELIEF LEGISLATION

Speaker Garner of the House yesterday made public his proposed \$2,100,000,000 unemployment relief bill, which he expects to introduce in the House today, according to the press. The report says: "In ninety-one pages of printed text, the bill provides for \$100,000,000 to be given the President for use as an emergency fund; \$1,000,000,000 to be loaned for relief projects by States and private corporations and individuals, including closed banks; and \$1,000,000,000 for public works, a long list of which are enumerated in the bill...."

PRESIDENT AND PUBLISHERS CONFERENCE

The press today says: "....The dominant note at the White House conference between the President and thirty-eight newspaper publishers May 25 was the urgent need for speedy action by Congress on the problems before it, including relief, the budget and economy measures. The President described to the publishers plans for setting up reconstruction finance committees in the principal cities of the country similar to the one organized in New York with Owen D. Young as its chairman....In talking with the publishers the President stressed the necessity for cooperative action in organizing reconstruction finance committees, which he considers one of the major remedies in the existing unemployment situation...The President also discussed the general economic situation and asked for expressions of the publishers' views, which were generously given. Most of them indorsed the President's proposals and promised to support the formation of reconstruction committees in the editors' localities...."

MARTHA VAN RENSSELAER DIES

Professor Martha Van Rensselaer, one of the two directors of the New York State College of Home Economics at Cornell University, Ithaca, N.Y., and for many years a leading figure in the field of economics in this country, died yesterday morning in St. Luke's Hospital, New York City, according to the press today.

Section 2

Bank of Japan Conditions The annual report of the Bank of Japan, published, in part, in Federal Reserve Bulletin for May, says: "The annual report of the Bank of Japan for 1931 was presented to the general meeting of shareholders on February 20, 1932. Sections of the address of Hisaakira Hijikata, governor of the bank, are given herewith: The financial difficulties which began in Austria and Germany, and led eventually to the suspension of the gold standard by Great Britain, made their influence felt in Japan, where the situation was further aggravated by the outbreak of the Manchurian disturbance about the same time. Prices of staple commodities and securities underwent so sharp a decline that stock exchange transactions were temporarily suspended. Owing partly to anxiety regarding the gold standard in Japan, the foreign exchange market had to meet a strong demand for dollars, which caused an outflow of gold in considerable amount and a decline in the volume of funds available to the market. Toward the end of the year money became tighter and dearer. With the change of government on December 13, gold exports and the conversion of bank notes into gold coin were prohibited except under license, and thereafter the yen exchange declined steadily, while commodity prices advanced. The advance was most marked in prices of international commodities which were influenced by speculative dealings, and was reflected in a general rise in stock market values. The business situation thus underwent a marked change. In spite of the fact that bank deposits declined, the money market was easy during the greater part of the past year, partly because the credit requirements of business were smaller and partly because the uncertain outlook discouraged long-term lending. Interest rates declined rapidly--in fact, each succeeding issue of treasury bills carried a lower rate of interest...."

California Prosperity Campaign An editorial in California Cultivator for May 21 says: "Although the more or less envious citizens of other sections of the United States often cast aspersions at the enthusiasm with which Californians undertake whatever task they have to do, we have heard nothing but praise for the campaign being waged by the Bank of America for the return of better times. With the control of this state-wide institution which has 410 branches in 243 communities and is the largest bank west of Chicago, again in the hands of Californians, it is natural that it should be a leader in a movement to put dollars to work so that, as the slogan it has adopted says, 'California can lead the Nation to sound prosperity.'...The objects of the campaign are: 'To help restore public confidence, to encourage a return to normal living and buying habits, and to release millions in useful credit by increasing deposits in all the time-tested banks of the State.'..."

Currency Values An editorial in The Saturday Evening Post for May 28 says: "Early in March a sharp rise in the price of the British pound sterling was headlined throughout the world. At the least, it was held to indicate a definitive turn for the better

in the business depression of Great Britain. More ambitious interpretations proclaimed it to be the first step in the return of sterling to par. Whenever speculation advances a price, it is heralded as a beneficent action. But the leaders of British finance and industry at once pointed out that the sudden rise in the price of sterling was a serious injury to the export trade. One of the most distinguished authorities declared that the rise in sterling had undermined the newly established protective tariff; with commendable frankness it was conceded that an advance in sterling did not reflect a corresponding progress of business. In the same breath, expert British opinion has declared that the pound sterling can not return to par and that the dollar will not decline from par. The question relates to the real value of the currency. The trading value of a currency depends upon the resources and obligations of the country, on the volume of trade and money, to some extent on monetary and political policies. When the pound sterling was restored to par a few years ago, the realists among the British economists were aware that the unit of currency did not possess a trading value equivalent to par in gold and that the effort resembled lifting oneself by one's boot straps. It was pointed out that the action would entail unemployment of capital and labor, injury to the export trade, the endangering of the budget and of the international account, and, in effect, a redistribution of wealth. This has all come to pass. It seems to be generally accepted that the true trading value of the pound sterling is equivalent to something around three and a half dollars in gold, a value reduction of almost a third. Unquestionably, Great Britain will later return to the gold standard, but with a revaluation of the unit of currency corresponding to its true trading value. France and Italy revalued their currencies early, but the decision was easy because the declines had been so profound that no one even suggested restoration to par. That France and Italy profited by the revaluation at the expense of Great Britain is not open to doubt. Germany has still to face the question of the true value of the mark. In the case of the United States, judging the dollar by its true trading value, appraising it in the light of all the circumstances in our economic... it is clear that the dollar is worth one hundred cents in gold. Talk of abandonment of the gold standard is foolish; what is needed is proper application of the gold standard. Great Britain and the other countries of Europe not now on the gold standard will gradually return to it, after they have found the true trading values of their currencies and revalued them in formal units in accordance with their intrinsic properties."

Grasshoppers An editorial in The Daily Argus-Leader (Bloomington, in South Ill.) for May 21 says: "Some persons seem to have forgotten that Dakota even in normal years there are millions of grasshoppers in South Dakota. Ordinarily, they do little damage. They feed upon weeds and a little upon the farmers' crops but their consumption of productive grasses and grains is usually of an inconsequential amount. So the presence of some grasshoppers now doesn't mean that we are face to face with a serious devastation. There are

various varieties of hoppers, too; and the average person doesn't bother to distinguish between those that are destructive and those that are not. It is entirely proper to be prepared for a grasshopper invasion and, with such preparedness in mind, Congress should make funds available. No one knows now exactly what will happen. The eggs are numerous but the weather so far this year has not been particularly favorable to them. The alternate spells of hot and cool weather are unhealthy for the hoppers. If it continues along this line with a fair amount of moisture and some cool days in June, our grasshopper troubles will not be grave."

Intermediate Credit Banks All but one of the Federal Intermediate Credit Banks have reduced their interest charges recently to farmers' cooperative marketing associations and to financing institutions offering eligible agricultural paper to them for discount, as a result of the passage of the Norbeck-Steagall bill through Congress and its signature by President Hoover, May 20. All but one of the banks are charging $4\frac{1}{2}$ per cent interest whereas in March the rate reached the unprecedented level of $5\frac{1}{2}$ per cent in 10 of them. The Norbeck-Steagall bill makes these debentures eligible for 15-day loans from Federal Reserve Banks to members of the Federal Reserve System and will broaden the market for these securities and make it possible to float them at a lower rate of interest. It will now be easy to get cash upon them instantly. The effect of placing these amendments to the Federal Reserve and Agricultural Credits Acts upon the statute books was felt in the market even before the bill was passed by both Houses of Congress, and shortly after the bill passed the House, May 16 the early high-interest-rate debentures were selling at a marked premium. More recent issues bore 3 per cent interest and prospects are excellent for a lower rate of interest in the near future which will be reflected in rates charged farmers. (Federal Intermediate Credit Banks statement, May 24.)

Scientific Writings as Literature Nature (London) for May 14 says: "We should, in fact, be inclined to lay the greater stress on Huxley's native taste and effort and on the favorable circumstances of his writings, and less on the detailed features which Aldous Huxley discovers--the balance of phrases, the caesura ending, the Biblical allusions, and so forth. These are by the way. The main thing was having clear ideas and trying always to say them in the fewest and most appropriate words. The true man of science has in this respect an initial advantage over other writers, because he starts with a definite statement about something observed which he wishes to convey to his readers in the most direct and effective way. German writers do not conform to the rule owing to the complication of their tongue; but recently some professors of English in an American university compiled an anthology of extracts from the writings of men of science as a textbook for students in English. Plenty of names will occur to one at once of scientific writers who might be named in the same class as Huxley, though none perhaps so racy and pointed. His own contemporary Tyndall was one of the best. It should also be remembered that these men

were living and writing at a time when a great new idea was in the air and inspiring both those who promoted it and those who were on the defensive to special mental gymnastics. No one can read Huxley without enjoying the bracing atmosphere of controversy in which he worked. He was always strip and putting the last ounce into his fencing. For this both he and we have largely to thank the doctrine of evolution. We are not so controversial at the present day, or at any rate our controversies have not the same all-pervading and stimulating effect."

Section 3 MARKET QUOTATIONS

Farm Products

May 26.--Livestock: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$6.25 to \$7.75; cows, good and choice \$3.75 to \$4.75; heifers (550-850 lbs.) good and choice \$5 to \$6; vealers, good and choice \$5.50 to \$6.50; feeder and stocker cattle, steers, good and choice \$4.75 to \$6; heavy weight hogs (250-350 lbs.) good and choice \$2.95 to \$3.25; light lights (140-160 lbs.) good and choice \$3 to \$3.25; slaughter pigs (100-130 lbs.) good and choice \$2.75 to \$3 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$4.75 to \$5.25.

Grain: No.1 dark northern spring* Minneapolis 65 3/4 to 67 3/4¢; No.1 northern spring* Minneapolis 65 3/4 to 67 3/4¢; No.1 hard winter* Kansas City 55 to 56¢; No.2 hard winter* Kansas City 55 to 55 3/4¢; St. Louis 60¢ (Nom.); No.1 S.R. Winter St. Louis 58 1/2¢ (Nom.); No.2 S.R. Winter Kansas City 54 1/2 to 55 1/2¢ (Nom.); Chicago 59 1/4¢; St. Louis 57 1/2 to 58¢; No.1 W. Wh. Portland 61¢; No.2 Am. Dur.* (Duluth) 58 3/8 to 60 3/8¢; No.2 rye Minneapolis 37 to 39¢; No.2 mixed corn Kansas City 31 to 32¢; Chicago 32¢; St. Louis 31 3/4¢; No.2 white corn Kansas City 31 to 32¢; St. Louis 32 1/2¢; No.2 yellow corn Kansas City 32 1/2 to 33 1/2¢; Chicago 32 1/4 to 32 1/2¢; St. Louis 32 1/4¢; No.3 yellow corn Minneapolis 31 to 32¢; Kansas City 31 1/2 to 32 1/2¢; Chicago 31 3/4 to 32 1/2¢; Chicago 31 3/4 to 32¢; St. Louis 31 1/2 to 31 3/4¢; No.2 white oats Chicago 23 to 23 3/4¢; St. Louis 22 1/2¢ (Nom.); No.3 white oats Minneapolis 22 1/2 to 23 1/2¢; Kansas City 22 1/2 to 25 1/2¢; Chicago 21 3/4 to 22 1/4¢; St. Louis 22¢ (Nom.); Special No.2 barley Minneapolis 44 to 45¢; Chicago 38 to 45¢; No.1 flaxseed Minneapolis \$1.15 to \$1.18.

South Carolina Cobbler potatoes \$4.50-\$5.50 per stave barrel in eastern cities. Alabama and Louisiana sacked Bliss Triumphs \$3-\$3.60 per 100 pounds in a few cities; \$2-\$2.25 f.o.b.

*Prices basis ordinary protein.

Mobile. Maine sacked Green Mountains 80¢-\$1.10 in the East. Wisconsin sacked Round Whites 80¢-85¢ carlot sales in Chicago; mostly 60¢ f.o.b. Stevens-Point. Texas Yellow Bermuda onions, U.S. Commercials, 85¢-\$1.10 per 50-pound sacks in consuming centers; 45¢-55¢ f.o.b. Coastal Bend Section. North Carolina Missionary strawberries \$2-\$2.50 per 32-quart crate in Philadelphia; auction sales \$1.50-\$2.25 f.o.b. Wallace. California Salmon Tint cantaloupes \$3.25-\$4.25 per standard crate of 45 melons in city markets; \$1.40-\$1.60 f.o.b. Brawley.

Average price of Middling spot cotton in the ten designated markets declined 6 points to 5.36¢ per lb. On the corresponding day one year ago the price stood at 7.97¢. July future contracts on the New York Cotton Exchange declined 7 points to 5.60¢, and on the New Orleans Cotton Exchange declined 5 points to 5.62¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 18¢; 91 score, 17 $\frac{1}{2}$ ¢; 90 score, 17¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 10 $\frac{1}{2}$ to 13¢; Single Daisies, 11 $\frac{1}{2}$ to 12¢; Young Americas, 11 $\frac{1}{2}$ to 12 $\frac{1}{4}$ ¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 15 to 17 $\frac{3}{4}$ ¢; Standards, 14 $\frac{1}{2}$ to 14 $\frac{3}{4}$ ¢; Rehandled Receipts, 13 $\frac{1}{2}$ to 14¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

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Vol. XLV, No. 50

Section 1

May 28, 1932.

RELIEF LEGIS- LATION

A "rough draft" of the \$2,100,000,000 Garner relief bill was introduced in the House yesterday. President Hoover later denounced the bill, according to the press today.

THE ECONOMY BILL

The press today says: "The special economy subcommittee of the Senate appropriations committee yesterday completed work on a measure expected to pare the budget by some \$250,000,000. In keeping with its iron-clad rule, the subcommittee did not make public any of its specific recommendations, but they are expected to follow the original plan of the economy bill which was wrecked on the House floor. The bill now faces a peculiar situation, as it is a part of the routine legislative appropriation bill. The legislative appropriations subcommittee of the appropriations committee will meet Monday to write the routine part of that bill, with the understanding that it will not tamper with the economy proposals. When the routine work on the bill has been completed, probably early next week, the economy measure can be presented to the Senate."

THE TAX BILL

The press today says: "Provisions estimated to yield \$270,000,000 in new funds were written into the revenue bill in the Senate yesterday as a second and inevitable showdown on the manufacturers' sales tax drew nearer. Approval of first and second-class postal increases is expected to produce about \$160,000,000, a two-cent bank check tax with an anticipated yield of \$95,000,000, and a 10 per cent excise on furs for \$15,000,000 more, brought the total in the measure to date to \$939,500,000--\$70,000,000 short of the goal of \$1,009,500,000 set for the bill when reported by the finance committee. Proposals estimated to yield \$33,000,000 remained to be acted upon when the Senate recessed until today. These included the increase in the stock transfer tax, expected to produce an additional \$22,000,000; a bond sales levy, counted on for another \$5,000,000, and an impost on oil pipe line transportation, \$6,000,000 more...."

STEAGALL BANK BILL

The House yesterday passed the Steagall guarantee bill creating a \$400,000,000 fund to protect depositors and distressed financial institutions, according to the press today.

RED CROSS URGES MORE RELIEF WHEAT

President Hoover was told May 26 by John Barton Payne, chairman of the Red Cross, that 40,000,000 more bushels of wheat would be necessary to feed the needy next winter. The Red Cross chairman said the 40,000,000 bushels of Farm Board wheat supplied to his organization several months ago would be enough for relief purposes this summer. (Press, May 27.)

Section 2

Agricultural Citation Granted G. E. Martin, Extension associate professor of agricultural engineering on the faculty of the University of Missouri College of Agriculture, has been named one of three nominees for a national honorary award for contributions to agriculture, according to the press today. The report says: "This annual award, in the form of a medal, goes to the agricultural engineer who has made the greatest contribution to agriculture in the United States during the year, says a recent announcement from that institution. Professor Martin's recognition comes as a result of his leadership in terracing work in Missouri and Oklahoma."

Candy Consumption Prohibition, supposed to increase sales; dieting, supposed to reduce it, and depression, an unknown quantity, had no apparent effect on the sale of candy in this country last year, it was declared at Atlantic City, May 23, by Walter Hughes, secretary of the National Confectioners' Association of the United States, at the opening of the organization's annual convention. The tonnage of candy sold, he explained, decreased only about 10 per cent, but the value of sales, with candy selling for an average of $18\frac{1}{2}$ cents a pound--pre-war prices--showed a loss of 45 per cent. The association is expected to appeal to the Interstate Commerce Commission for a reclassification of freight rates on candy. (Press, May 24.)

Credit Extension Committee Mark Sullivan says in Herald-Tribune for May 26: "The committee of twelve bankers and business men set up in New York last week under the headship of Owen D. Young is today being duplicated in Chicago. Later and as promptly as possible, similar committees will be set up in each of the country's twelve Federal Reserve Districts. These committees will be very important. The immediate function of these committees, to state it loosely, is to stop the contraction of credit by the banks and at the same time bring about increased extension of credit. The committees represent a further step in the determination of the Federal Reserve System to increase the quantity of credit in use in the country and thereby to bring about an increase of prices generally. The Federal Reserve System adopted this policy the first week in April. In pursuance of it they have been adding approximately \$100,000,000 a week to the credit possibilities of the country's banks...."

Economists Offer Plan A Chicago dispatch May 24 says: "A 'five-year plan' for revival of business by a drastic but temporary fiscal inflation was commended to Congress May 23 with the unanimous approval of the faculty of economics at the University of Chicago. ... 'We are persuaded,' they reported, 'that automatic adjustments in the economic situation have already proceeded to a stage where inflationary expenditures would be handsomely rewarded in greater production, larger employment and higher tax revenues.' The professors advised that prices be raised by the stimulus of generous Federal expenditures, financed without resort to taxes on commodities or transactions. They suggested heavy contribution toward relief of distress and appropriations

for public improvements, provided the projects can be 'started quickly and opportunely stopped.'..."

Pig Exhibit The Daily Pantagraph (Bloomington, Ill.) for May 23 says: "A farmer down in Tennessee bought a Poland-China hog two years ago for \$3.65. It was just another hog to Walter Chappell, its new owner, albeit his children made quite a pet of the animal. It grew up according to the usual rules for pig-development, but the farmer could not sell it for his price, \$20, when the animal was about 16 months old. He then started on a special feeding, hoping to make the hog fat enough for butchering to furnish a family meat supply. But instead of getting fat, this pig began to get bigger and bigger in every way, until it finally reached proportions almost of a monster in hog world--is four feet high, eight feet long and weighs 1,460 pounds. The hog's fame spread in the countryside, and people began coming in numbers to see it. Mr. Chappell then started to charge admissions to see the big hog, making a regular sideshow of the one exhibit. It worked fine, for within a few months 7,000 had paid admission to see the hog. Mr. Chappell finds it's worth more to have a show pig than to have a porker, and he is making a modest fortune. He has refused to sell the animal, although he admits that if somebody offers him \$10,000 for it he might strike a bargain."

Rubber-Tired Railroads An editorial in The Miami Herald for May 22 says: "It is no novel experience for Americans to ride on rubber. But it would be if they boarded a train. That may be changed, however, as the railroads push their investigations into the improvements of service. A pneumatic-tired railroad coach made a trial trip last week between Cleveland and Akron, Ohio. This, coupled with the test of running a rubber tired automobile on the rails between Miami and Jacksonville, indicates that the railways are planning to introduce greater quiet and comfort in riding the rails. The roar of steel on steel, the steady click of wheels may be missing in the near future. Trains of a lighter type may yet move swiftly and silently over their right of way, and this advancement will provide a further inducement to return to rail travel."

Wholesale Prices The Bureau of Labor Statistics of the U. S. Department of Labor announces that the index number of wholesale prices for the week ending May 21 stands at 64.5 as compared with 64.9 for the week ending May 14. This index number, which includes 784 commodities or price series, weighted according to the importance of each article and based on the average prices in 1926 as 100.0, shows that a decrease of six-tenths of 1 per cent has taken place in the general average of all commodities for the week of May 21, when compared with the week ending on May 14.

Section 3

Department of
Agriculture

The Baltimore Sun of May 27 reports: "Alteration of the cultural methods in farming so as to increase percolation of water into the soil, suspension of grazing on steep slopes and a development of our national policy to provide for maintenance of a dense forest or grass cover on critical watersheds, having regional or national importance, were urged yesterday at the fifty-seventh annual meeting of the American Forestry Association, at Baltimore, by Arthur M. Hyde, Secretary of Agriculture, as a means of reclaiming more than 21,000,000 acres now impoverished by destructive erosion...."

DAILY DIGEST

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Vol. XLV, No. 51

Section 1

May 31, 1932.

CHICAGO TRADE

BOARD SUMMONED

The Associated Press of May 29 reports: "The Chicago Board of Trade yesterday was summoned to appear June 8 before a commission established by the grain futures act to explain why it has denied membership to the Farmers National Grain Corporation. The commission is composed of the Secretary of Agriculture, the Secretary of Commerce and the Attorney General. The hearing was ordered after a meeting of the commission yesterday morning. The Chicago Board of Trade Clearing Corporation and the Farmers National Grain Corporation also have been asked to appear...."

THE TAX BILL

The press today says: "Total of the billion-dollar tax bill is expected to be boosted considerably as a result of a conference between President Hoover and Democratic members of the Senate finance and special economy committees held in the White House last night. Just how much more money the Senators were told would be required to meet the needs of the Federal Treasury was not disclosed, but the additional levies were reported as ranging from \$200,000,000 to \$400,000,000...."

THE ECONOMY BILL

The press today states that the budget-balancing economy bill, with estimated savings ranging from \$200,000,000 to \$250,000,000, will be laid before the full Senate appropriations committee in executive session this morning.

GRASSHOPPERS IN IDAHO

A Pocatello, Idaho, dispatch today says: "Farmers of two counties and the Fort Hall Indian Reservation between Pocatello and Blackfoot battled a threatened invasion of immature grasshoppers yesterday, gathering millions of the pests from an irrigation canal before they were able to invade fields...."

BRUENING

CABINET FALLS

The press today says: "An event without parallel in the history of the German Republic occurred yesterday, when Chancellor Heinrich Bruening was thrown out of office, not by vote of the Reichstag nor dissension of his colleagues, but by direct action of President Paul von Hindenburg. The resignation of the Bruening Cabinet is regarded in political circles as heralding not a mere change of Ministry, but the beginning of an entirely new governmental regime in the Reich. Nobody, however, seems to have a clear idea just what form the government will take--whether a Fascist rule under the direction of Adolf Hitler or a similar dictatorship by the Reichswehr (home defense army), with the President's support...."

Section 2

Banks and Business The maintenance of improvement in the banking situation continued to be one of the main sources of public confidence that the basis of better times was in the making, the Journal of the American Bankers Association says. "The number of bank suspensions, that showed a marked decrease in February, continued at a relatively low level through April and the first part of May and the ratio of reopenings was likewise high," the Journal says. "It seemed safe to feel that the element of public hysteria in respect to banking had apparently been eliminated as a major cause of business uncertainty. Following the establishment of this desirable condition it was possible to develop a more constructive bank credit situation and effective steps to this end were beginning to show results in May. The Reserve Banks were buying a substantial volume of Government securities, resulting in enlarged deposit funds in the hands of members which were enabled to reduce borrowings from the Reserve banks. This led to a situation in New York that in several previous depressions has been the first step in financial recovery, that is, the development of excess reserves or idle funds. Whereas heavy indebtedness of member banks in New York and elsewhere to the Federal Reserve had previously evidenced a stage of credit stringency in the depression, this Federal Reserve policy exercised an influence toward credit ease and expansion, which should normally place the banks in a position to adopt a more aggressive policy in making sound investments and in extending increased commercial loans to business and industry wherever justified expansion in activity called for them. A movement of this kind, of sufficient volume and duration, if reinforced by a basis of sound industrial and commercial activity, ordinarily means the beginning of business recovery...."

Chadbourne Sugar Plan A Berlin dispatch May 28 says: "There was an agreement at a meeting of sugar industrialists at Berlin May 26 that the Chadbourne Plan had not lived up to expectations, although it was admitted the plan might work better when business improved. The chairman announced that because of low prices Germany would be confined to exports of 420,000 tons instead of the Chadbourne quota of 500,000. For the current year, in which her quota is 350,000 tons, Germany will export hardly more than 100,000 it was predicted."

Foot and Mouth in Britain The Scottish Farmer for May 14 says: "The slaughter policy adopted by the Ministry of Agriculture for dealing with foot-and-mouth disease has proved effective on many occasions in stamping out the disease in Great Britain; and as a result British herds and flocks enjoy comparative freedom from a scourge that is constantly present in Continental countries, where the disease is allowed to run its course. But although the British policy is cheaper in the long run than the Continental policy, it is still very costly, and it causes heavy losses to stock owners whose animals are attacked and a great deal of inconvenience to their neighbors. It is unfortunate, therefore, that the Ministry has not been so successful in

keeping out the disease as in stamping it out; and isolated outbreaks occur from time to time in different parts of the country, holding up local markets, preventing all movements of livestock in their immediate neighborhood, and making impossible the free exportation of pedigree livestock to other countries. Most of those outbreaks occur in England, but Scotland has had several disastrous experiences in recent years; and we do not think that Great Britain as a whole has been absolutely clear of all restrictions for any period of over six months at a time during the past eleven years. Farmers point to the prevalence of foot-and-mouth disease on the continent of Europe--Denmark, Germany, Holland, Belgium, France and Spain--and assert that many of those isolated outbreaks, for which the officials of the Ministry can find no origin, are caused by agricultural produce, particularly green vegetables, imported from countries in which foot-and-mouth disease is constantly present. The Ministry of Agriculture for Northern Ireland is satisfied that the foot-and-mouth disease in County Down last summer that spread to Scotland and England with disastrous results, was caused by the use on a farm of broccoli imported from Holland. The subsequent statement that the broccoli in question had been imported to Belfast via Leith has startled the farmers of Scotland, and as reported in our issue of 7th May, the Highland and Agricultural Society has taken the lead in organizing a protest to the government from the farmers of Britain against the continued importation of foreign vegetables. The attitude of the Ministry of Agriculture is that, if it can be conclusively proved that foot-and-mouth disease is brought in by imported vegetables, then the importation of vegetables will be prohibited; but until clear and definite proof is forthcoming no restrictions will be imposed...."

German

Conditions Richard von Kuhlmann, German statesman; former Ambassador and Minister of Foreign Affairs, writing on "German Finances" in *Europäische Revue*, Berlin, for May, says: "...The world crisis is substantially the consequence of the terrible destruction wrought by the war; it affects all countries and reacts on state finances by reducing tax income quicker than government expenses can be accordingly reduced. So far even the most pessimistic budgets could not keep pace with events. Last year America had a deficit of 900 million dollars; during the current year it will be 1,500 million dollars. In England the deficit, together with other events, threatened a total financial collapse. Even France, the country which is suffering least of all by the crisis, faces a deficit of 6 billion francs for the current year. All these countries have for the time being financed these deficits by short term loans. And Germany, with a weakened economic system, with decreasing income, and steady expenses, could not obtain any further loans. At home there is no capital for a domestic loan. Consequently, Chancellor Brüning and his finance minister had to draconically reduce expenses every time they faced a deficit in the budget; there was no other way. Fortunately, by this method short term obligations have not been increased, but rather diminished. The unfunded debt of the Reich

has been reduced from 1,828 million marks last August to 1,669 millions. At present the budget is balanced but it is impossible to predict what the future holds in store....The German people have borne the terrible trial of the war, defeat, loss, and the unreasonable peace treaties with patience, and the great bulk of the people have quickly found the way back to a parsimonious way of living, rebuilding the former structure. If we date the time of reconstruction from the introduction of the new currency, only six years have been given to this sorely tried nation to recreate what was destroyed. These years, especially the last ones, have been marked by a severe economic depression, the severest in known history. And during these six years surprising results have been achieved. The railroads have been reconstructed. Shipping, entirely destroyed by the peace treaties, has reached pre-war figures. The country has been electrified, industry has been modernized and rationalized and can now compare with that of any neighboring country. And aside from all this, the exhausted nation has paid over to the victor states 27 billions in gold and foreign currency....Germany is absolutely compelled to export considerably more than she imports if foreign debts are to bear interest and be amortized. If our neighbors make this impossible, as France has done, and Switzerland is trying to do, Germany can not put her house in order...."

New York A Tuckahoe, N.Y., dispatch May 28 says: "Governor
Unemployed Franklin D. Roosevelt announced May 27 a plan whereby New
to Land York State's unemployed would be assisted by turning them back
 to the land....He told of the temporary emergency relief admin-
 istration's plan for 'subsistence farms.' Numbering the jobless
 at 10 per cent of the population, he explained that dependent
 families from cities and towns, especially those with agricultur-
 al experience, would be transferred to the land where they might
 obtain 'the permanent jobs they have lost in overcrowded, indus-
 trial cities and towns.'...."

Sheep and An editorial in The National Wool Grower for May says:
Wool "Feed conditions and prospects in the range states generally ap-
 pear to be considerably better than usual at this time of year.
 The supply and demand figures also are favorable to the growers
 of wool and lambs....In its economic and financial phases, how-
 ever, the sheep industry is still far from satisfactory. Even
 so, it should not be considered as being any worse than any other
 branch of production or industry. The serious ills are not due
 to conditions within our own industry, but to national and inter-
 national affairs. It has been recognized for a long time that
 what was thought to be a minor readjustment in the fall of 1929
 was really the beginning of a world-wide economic revolution.
 Just how that revolution is to be completed and what are to be
 its final effects, it is still impossible to foresee. As often
 happens, a large part of the change had really taken place
 before even the astute recognized that anything unusual was in
 the making...."

Section 3

Department of
Agriculture

The Washington News for May 27 says: "This month brings the silver anniversary in Federal service of Walter G. Campbell, Director of the Food and Drug Administration, and other officials who started out in minor positions 25 years ago under Dr. Harvey Wiley, father of the food and drug act. Campbell was chief inspector, Dr. P. B. Dunbar, now assistant chief, was a chemist, and F. B. Linton, assistant to the chief, was in the clerical force. Eleven of the administration's 18 station chiefs and many others now holding higher positions have worked up from the chemists' and inspectors' and other positions to which they were named in the first year after President Roosevelt signed the law."

Section 4

MARKET QUOTATIONS

Farm
Products

May 27.—Grain: No.1 dark northern spring* Minneapolis 65 1/2 to 67 1/2¢; No.1 northern spring* Minneapolis 65 1/2 to 67 1/2¢; No.1 hard winter* Kansas City 55 to 56¢; No.2 hard winter* Kansas City 54 3/4 to 55 3/4¢; St. Louis 59 1/2¢ (Nom.); No.1 S.R. Winter St. Louis 59¢ (Nom.); No.2 S.R. Winter Kansas City 54 1/2 to 55¢; Chicago 60 1/4¢; St. Louis 57 1/2 to 58 1/2¢; No.1 W. Wh. Portland 61¢; No.2 Am. Dur.* Minneapolis 54 3/8 to 58 3/8¢; No.1 Durum (Duluth) 57 3/8 to 59 3/8¢; No.2 rye Minneapolis 36 7/8 to 38 7/8¢; No.2 mixed corn Kansas City 31 to 32¢; Chicago 32 1/2¢; St. Louis 31 3/4¢ (Nom.); No.2 white corn Kansas City 31 to 32¢; St. Louis 32¢; No.2 yellow corn Kansas City 33 to 34¢; Chicago 32 1/2 to 32 3/4¢; St. Louis 32 1/4 to 32 1/2¢; No.3 yellow corn Minneapolis 30 to 31¢; Kansas City 31 1/2 to 33¢; Chicago 32 1/4¢; St. Louis 32 1/4¢; No.2 white oats Chicago 23 to 24¢; St. Louis 22 1/2¢ (Nom.); No.3 white oats Minneapolis 22 3/8 to 23 3/8¢; Kansas City 22 1/2 to 25 1/2¢; Chicago 22 to 23 1/2¢; St. Louis 22¢ (Nom.); Special No.2 barley Minneapolis 44 to 45¢; Chicago 37 to 45¢; No.1 flaxseed Minneapolis \$1.13 3/4 to \$1.16 3/4.

Livestock: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$6.25 to \$7.75; cows, good and choice \$3.75 to \$4.75; heifers (550-850 lbs.) good and choice \$5 to \$6; vealers, good and choice \$5.50 to \$6.50; feeder and stocker cattle, steers, good and choice \$4.75 to \$6; heavy weight hogs (250-350 lbs.) good and choice \$3 to \$3.30; light lights (140-160 lbs.) good and choice \$3 to \$3.35; slaughter pigs (100-130 lbs.) good and choice \$2.75 to \$3 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$4.75 to \$5.25.

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South Carolina Cobbler potatoes brought \$4-\$5 per stave barrel in the East. Alabama and Louisiana sacked Bliss Triumphs \$2.50-\$2.75 in the Middle West per 100 pounds basis; \$1.85-\$2 f.o.b. Mobile. Maine sacked Green Mountains 75¢-\$1.05 in eastern cities. Wisconsin sacked Round Whites 80¢-90¢ carlot sales in Chicago; 60¢ f.o.b. Stevens Point. California Salmon Tint cantaloupes \$3.75-\$5 per standard crate of 45 melons in city markets; \$1.60-\$1.65 f.o.b. Brawley. Texas Yellow Bermuda onions, U.S. Commercial, 85¢-\$1 per 50-pound sack in consuming centers; 45¢-55¢ f.o.b. Coastal Bend Section. Virginia Missionary strawberries 7¢-10¢ per quart in the East; 32-quart crates Heflins \$2-\$3 f.o.b. Onley. Missouri Aromas \$2.50 per 24-quart crate in Kansas City; few \$2.25 f.o.b. Monett.

Average price of Middling spot cotton in the ten designated spot markets declined 8 points to 5.28¢ per lb. On the corresponding day one year ago the price stood at 8.09¢. July future contracts on the New York Cotton Exchange declined 8 points to 5.52¢, and on the New Orleans Cotton Exchange declined 10 points to 5.52¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XLV, No. 52

Section 1

June 1, 1932.

SENATE PASSES TAX BILL

The press today says: "By a series of swift and decisive moves the Senate and the administration swept forward yesterday, last night and early today toward a balanced budget and a demonstration to the country and the world that the Government's financial house would be put in order. The Senate shortly after midnight put upon final passage a tax bill which that body believes will increase the Government income by \$1,283,500,000. Schedules were written into the measure during the past fourteen hours which the estimates show will yield \$275,000,000. When the vote was taken at the end of a nerve-racking session, marked by the personal appearance of the President and impassioned appeals for an unimpeachable fiscal program, only eleven Senators were recorded against the bill as against seventy-two in favor of it...."

THE ECONOMY MEASURE

The press today says: "Proposing sweeping economies, including a ten per cent cut in all Federal civil salaries, the Senate appropriations committee last night sent to the Senate a bill providing for a slash of \$238,605,000 in the expenses of the Federal Government for the next fiscal year under the estimates of the Budget Bureau.... Debate on the economy measure, which is a rider to the legislative appropriation bill, will be started today. The economy measure as reported by the bipartisan economy committee \$289,605,000, but the full appropriations committee, after a controversy which lasted four hours struck from the bill a provision denying disability pay to World War veterans with a disability of less than fifty per cent. This reduced the savings \$51,000,000. Cutting ^{salaries} is the largest saving in the bill. The second largest totals slightly more than \$48,000,000, and would be derived by adjusting payments to veterans and placing restrictions upon payment of retroactive benefits, pensions and emergency officers' retired pay. Limiting annual leave with pay to fifteen days a year for all civil employees would net another \$22,109,000, a saving not in the House bill...."

INTERNATIONAL ECONOMIC CON- FERENCE

The United States will participate in a conference of the great powers for the purpose of considering the stabilization of world commodity prices, it was officially announced by the State Department yesterday, according to the press today. The report says: "President Hoover and Secretary Stimson discussed the possibilities of such a conference in the face of the general economic uneasiness and decided that this Government could participate with profit...."

NEW GERMAN CABINET LEADER

A Berlin dispatch today states that President Paul von Hindenburg last night commissioned Lieut. Col. Franz von Papen, former military attache at Washington and an influential member of the conservative wing of the Centrist party, to form a "national concentration" Cabinet.

Section 2

Business The Business Week for June 1 says: "The week's records
Conditions are not especially promising for those expecting speedy im-
 improvement in the business picture under pressure of credit ex-
 pansion efforts....Most indicators showed some relapse in the
 level of industrial and trade activity from the first half of
 May as well as somewhat less favorable features in the financial
 situation....The unseasonal strengthening in steel output since
 the outset of the month has slackened slightly as automotive
 summer schedules are revised, but June is expected to bring a
 peak in car production, and some stimulus for structural steel
 demand is coming forward from increasing public construction....
 Carloadings, electric power output and check payments reflect
 further contraction in manufacturing activity and retail trade...
 Securities markets relapsed to new low levels with increasing
 anxiety over central-European financial difficulties, and evi-
 dence that Federal Reserve efforts to induce member bank credit
 expansion have so far proven unsuccessful....Direct measures by
 local business-banker committees to break the credit jam may have
 better luck, but the tide of events is moving rapidly toward con-
 gressional action to enlarge the powers of the Reconstruction
 Corporation and use the public credit to create employment where
 private credit agencies are unable to operate because of paraly-
 sis of financial confidence and industrial initiative....It is
 clear that constructive forces are converging on the crucial
 problem of checking the deflation process; but they must be
 boldly and speedily applied and organized on an international
 scale to be effective at this stage."

Commerce The Business Week for June 1 says: "After wrestling
Chamber mightily with the devils of deflation, The United States Chamber
Resolu- of Commerce adopted resolutions a good deal like those of other
tions years, elected a new president, closed its twentieth convention
 in San Francisco, allowed its delegates to scurry back to their
 individual problems. Henry I. Harriman, of Boston, chairman of
 the New England Power Association, succeeded Silas Strawn, of
 Chicago, in the presidency. The convention named the dangers
 that beset us but was no more successful than other bodies in
 indicating definitely how they might be overcome....Summarized,
 the convention's recommendations were: Taxes and Government ex-
 penditures must come down; but budgets must be balanced...Public
 building projects have cut down unemployment and should be con-
 tinued, but the limitation on wages should be repealed as it is
 'inconsistent with the very important purposes of these expendi-
 tures.' Other resolutions had unqualified backing. They urged:
 Cessation of Government competition with legitimate private enter-
 prise. Uniform state laws governing the marketing of merchandise
 and commodities. Continued study and action by the Economic
 Council on synchronizing production with consumption, wage main-
 tenance, foreign trade. Strengthening of trade associations and
 chambers of commerce....Prosperity for the farmer. Strengthening
 of existing Federal credit agencies. Removal of unjust laws
 from retail merchandising. Stabilization of silver. Removal

of Government vessels competing with private American companies. Rectification of unregulated transportation competition. Continuance of railroad operation in its proper sphere through consolidation. Retroactive repeal of the recapture of profits clauses in the 1920 Transportation Act. Encouragement of free employment agencies, regulation of commercial agencies. Retirement annuities for employees...."

Hitlerism
and
Germany

Frank H. Simonds, writing under the title "If Hitler Comes to Power" in The Review of Reviews for June, says: "Republican Germany has succumbed to reaction....It is plain that the Hitlerites by refusing all compromise may evade the responsibility of power for a little longer, which is their obvious strategy. What is not to be questioned is that they will certainly come to control at no distant date. But what does this control mean? In the United States and Britain there has been a general tendency to believe that the events of Italy would repeat themselves and that Hitler like Mussolini would prove cautious in action--frightening in phrase. But the difficulty with such an interpretation grows out of the fact that conditions are different. Mussolini was faced by local disorders and a limited state of depression. He could restore order; and prosperity came as a gift of the gods for all the world was on the eve of a temporary period of good times....Hitler must take over control of a country in the very depths of a depression without precedent. Nearly six million Germans are unemployed. The efforts to balance the budget have resulted in taxation severe beyond historical memory. The very limits of exaction have been reached; but without relief. German public and private finance is still sinking. Aside from reparations payments now suspended, there are the private obligations momentarily halted by the standstill agreement. To the gold standard Germany holds only by a thin thread. The flight of German capital from the mark has never been arrested, German confidence in the nation never restored. On the domestic side, what can Hitler do? He heads not a political party with fixed principles, but a mob united by an intricate mesh of passions and hatreds....His followers are without experienced leaders or trained parliamentarians....But there is one aspect of the matter which should command far more attention in America than it has. The arrival of Hitler to power means the end of international cooperation on the Continent of Europe for an indefinite period of time....It is nevertheless clear that Germany will probably make the dangerous experiment of Hitler control. The pace of the progress of this reactionary party has reached the point where all hope of arresting it must be abandoned....Deep in the German soul lies the conviction that the rest of the world can not afford to see Germany collapse. Theirs is the belief that Britain and the United States, particularly by reasons of their great financial commitments in the Reich, will intervene to save the German people. This conviction has dominated all German action since the death of Stresemann and the coming of Hitler...."

Iron Re- An editorial in The Journal of the American Medical
quirement Association for May 21 says: "While the role of iron in the
of Chil- maintenance of health has long been recognized, the possible
dren participation of the element in biologic reactions has only
recently become clearly revealed. Today we are justified in as-
serting that iron is an essential dietary constituent, not only
for the production of blood and muscle hemoglobin but also for
necessary components of all cells. That is why its availability
in foods and its metabolism in the body command particular atten-
tion....The adult has the opportunity for such a wide range in
the choice of his food that the problem of his requirement of
iron is perhaps not quite so circumscribed as that of the grow-
ing young child, whose regimen is dictated in larger degree by
those who provide his less diversified sustenance. Until recent-
ly the only modern balance observations in childhood relating to
the iron requirement have been those of Rose and her collaborat-
ors at Teachers College in New York. Considerable surprise was
occasioned several years ago when they reported that even in dic-
taries that might have been considered perfectly satisfactory the
daily inclusion of one egg yolk per child resulted in better de-
velopment and in slightly higher hemoglobin figures. Careful
metabolism studies with respect to iron were subsequently made
on one child, a girl aged 2 years and 7 months. These showed
that, on a daily intake of 4.64 mg. of iron, a negative balance
of 1.10 mg. resulted. The authors have estimated without fur-
ther evidence that 8.50 mg. would not only be sufficient to bring
about iron equilibrium but also allow for growth. This figure
amounts to 0.76 mg. of iron per hundred calories of ingested
food. McKay has reported an average of 8.17 mg. of iron in the
diets of preschool children in private homes, as compared with
4.37 mg. in the diets of children in an institution. The most
recent essay in this important field of research comes from the
University of Minnesota, where Leichsenring and Flor have con-
ducted typical balance experiments in which the utilization of
iron at two levels of intake was compared in healthy children
ranging in age from 35 to 56 months. This is the characteristic
preschool age. The results of the food analyses indicate that
the iron content of foods may show considerable variation from
the most commonly used figures. Diets that were planned to con-
tain 5 and 8.5 mg. of iron actually contained only 3.25 and 6.5
mg. On a diet containing 3.25 mg. of iron, an average of 1.2
mg. was retained daily, whereas, on a diet containing 6.5 mg.
of iron, 3.2 mg., or nearly three times as much as during the
period of lower iron intake, was retained. The observed mainte-
nance need of the children in this study was approximately 0.12
mg. per kilogram. On the basis of body weight, according to
Leichsenring and Flor, the maintenance requirement of the child
is similar to that of the adult...."

Meat Prices An improvement in the demand for smoked picnics featured
the meat trade during May, according to a review of the livestock
and meat situation issued May 31 by the Institute of American
Meat Packers. Sales of other pork products were rather heavy
and demand seemed stronger than in April, especially at the close

of the period. The trend of prices, however, was lower. The volume of the export trade in pork and pork products continued relatively small. There were temporary price increases in the United Kingdom, and some general increase in lard prices on the Continent. The demand for dressed beef was slow during May and prices of most grades moved lower. The demand for dressed lamb was fairly good during the period but prices did not increase. The general trend of the livestock market was lower.

Section 3 MARKET QUOTATIONS

Farm Products

May 31.--Livestock prices at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$6 to \$7.75; cows, good and choice \$3.75 to \$4.75; heifers (550-850 lbs.) good and choice \$5 to \$6; vealers, good and choice \$5.50 to \$6.50; feeder and stocker cattle, steers, good and choice \$4.75 to \$6. Heavy weight hogs (250-350 lbs.) good and choice \$3 to \$3.35; light lights (140-160 lbs.) good and choice \$2.60 to \$3 (soft or oily hogs and roasting pigs excluded from above quotations.) Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$6 to \$6.75**

Grain: No.1 dark northern spring wheat**, Minneapolis 62 3/4¢ to 64 3/4¢; No.1 northern spring**, Minneapolis 62 3/4 to 64 3/4¢; No.1 hard winter**, Kansas City 52 3/4¢ to 53 1/2¢; No.2 hard winter**, Kansas City 52 1/4¢ to 53¢; Chicago 58¢ to 58 3/4¢; St. Louis 57¢ (Nom.); No.1 soft red winter, St. Louis 55 3/4¢ to 56 1/4¢; No.2 soft red winter, Kansas City 52 1/2¢; Chicago 58¢; St. Louis 55 1/2¢ (Nom.); No.1 white wheat, Portland 57¢; No.2 amber durum**, Minneapolis 52 5/8¢ to 56 5/8¢; No.1 durum, Duluth 55 5/8¢ to 57 5/8¢; No.2 rye, Minneapolis 35 1/4¢ to 37 1/4¢; No.2 mixed corn, Kansas City 30 1/2¢ to 31 1/2¢; Chicago 31 1/2¢; St. Louis 30 3/4¢ (Nom.); No.2 white, Kansas City 30 1/2 to 31 1/2¢; St. Louis 31¢; No.2 yellow, Kansas City 32 1/2 to 33 1/2¢; Chicago 31 1/2¢ to 32¢; St. Louis 31 1/4¢; No.3 yellow, Minneapolis 29¢ to 30¢; Kansas City 31¢ to 32 1/2¢; Chicago 30 1/2 to 31 1/2¢; St. Louis 30 3/4¢; No.2 white oats, Chicago 23 1/4 to 24¢; St. Louis 23¢; No.3 white, Minneapolis 21 1/4¢ to 23 1/4¢; Kansas City 22 1/2¢ to 25¢; Chicago 22¢ to 23 1/4¢; St. Louis 22¢ (Nom.); Special No.2 barley, Minneapolis 44 to 45¢; Chicago 38¢ to 45¢; No.1 flaxseed, Minneapolis 1.14 to \$1.17.

*Effective May 30 spring lambs classified as lambs, and old crop lambs of or approaching one year of age, classified as yearlings.

**Prices basis ordinary protein.

Wholesale prices of fresh creamery butter at New York were: 92 score, $17\frac{1}{2}\phi$; 91 score, 17ϕ ; 90 score, $16\frac{1}{2}\phi$.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, $10\frac{1}{2}$ to 13ϕ ; Single Daisies, $11\frac{1}{2}$ to 12ϕ ; Young Americas, $11\frac{1}{2}$ to $12\frac{1}{4}\phi$.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 15 to $17\frac{3}{4}\phi$; Standards, $14\frac{1}{2}$ to $14\frac{3}{4}\phi$; Rehandled Receipts, $13\frac{1}{2}$ to 14ϕ .

Average price of Middling spot cotton in the ten designated markets declined 26 points to 5.01 ϕ per lb., compared with prices of May 28. On the corresponding day one year ago the price stood at 7.70 ϕ .

July future contracts on the New York Cotton Exchange declined 28 points to 5.23 ϕ , and on the New Orleans Cotton Exchange declined 28 points to 5.26 ϕ . Both markets are compared with prices of May 28.

South Carolina Cobbler potatoes brought \$3.50 to \$4.75 per stave barrel in eastern city markets. Alabama, Louisiana and Texas sacked Bliss Triumphs \$2.15 to \$2.40 per 100 pounds carlot sales in Chicago; \$1.60 to \$1.75 f.o.b. Mobile. Maine sacked Green Mountains 75 ϕ to \$1.10 in the East and Wisconsin sacked Round Whites 85 ϕ to 90 ϕ carlot sales in Chicago. California Salmon Tint cantaloupes \$3 to \$3.75 per standard crate of 45 melons in consuming centers; \$1.50 to \$1.60 f.o.b. Brawley. Texas Yellow Bermuda onions, U.S. Commercial, 75 ϕ to \$1.10 per 50-pound sack in terminal markets; 45 ϕ to 50 ϕ f.o.b. Coastal Band Section. Maryland and Delaware various varieties of strawberries \$1.25 to \$2 per 32-quart crate in the East; \$1.50 to \$1.75 f.o.b. Pocomoke City. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLV, No. 53

Section 1

June 2, 1932.

THE ECONOMY PROGRAM

The press today reports: "Wearied by the lengthy sessions devoted to considering the revenue bill, the Senate showed little inclination yesterday to maintain the same pace in disposing of the measure which would provide \$238,605,000 in Federal economies.

After a brief controversy over the proposal to cut all Federal salaries, except those of enlisted men in the military and naval establishments, a flat ten per cent, the Senate adjourned early, with the seventy-page economy rider attached to the legislative appropriation bill confronting the members. Appropriations in the latter totaling \$9,617,981 less than for the present year were approved. The cut was approximately one-third under this year's appropriation. The short discussion over the economy measure, however, indicated there will be a sharp fight over the ten per cent reduction in Federal salaries. Savings of \$121,050,000, or more than one-half of the entire amount provided by the economy measure, are covered by the pay-cut provision. Opponents of the horizontal slash countered the proposal by suggesting that Federal employees getting salaries less than \$1,000, \$1,500 or \$2,000 be exempted from the reduction. Others proposed that a graduated scale of reductions be worked out so that the larger salaries be cut proportionately more than those in the lower grades...."

THE TAX BILL

The press today says: "Tariff items and the stock-transfer tax loom as major trouble makers for the Senate and House conferees who have inherited the job of ironing out differences between the

two houses of Congress on the new revenue bill. Members of the conference pointed out these obstacles last night as they prepared to hold their first meeting this morning. They hoped, however, that these and other hurdles could be negotiated amicably and with expedition, to the end that the bill might be reported back to Congress the latter part of the week for final approval and sent to the White House early next week...."

GLASS BANK BILL

A bill by Senator Glass to make all United States Government bonds available for temporary currency inflation to the extent of \$1,108,000,000 was substituted by the Senate banking and currency committee yesterday for the Goldsborough bill, which seeks to stabilize the dollar on a 1921-1929 average purchasing level, and was reported to the Senate by an unrecorded but overwhelming vote, according to the press today. The report says: "Mr. Glass later said that he did not believe his, or any other 'legislative device' was necessary for such an end at this time, but that he had offered the plan in order to stop the Goldsborough bill, which he opposes...."

NEW GERMAN CABINET

A Berlin dispatch says: "Lieut. Col. Franz von Papen, former general staff officer, yesterday succeeded in forming the government of 'national concentration' that was envisaged by President Paul von Hinderburg, Monday, when he abruptly deposed Chancellor Heinrich Brüning in defiance of parliamentary prerogative...."

Section 2

Bank
Loans

Expansion of bank loans to business is retarded because shrewd business men are not tempted by cheap money since they know it is "worth while to borrow money only if you can make profitable use of it," Dr. George W. Edwards, head of the economics department, College of the City of New York, says in an article in the current issue of the American Bankers Association Journal, exposing the fallacy of current criticisms against banks for not increasing loans and investments. "They have been blamed for the failure of business to revive on the theory that an expansion of bank credit can bring about greater economic activity," he says. "The fallacy of this becomes evident from an analysis of the actual facts. Loans are granted only when the bank is willing to make extensions and the borrowing customer is seeking accommodation. Under present conditions neither is desirous to become a party to a credit transaction. It is necessary for the banker to maintain his assets in such form as can be quickly converted into cash. He may sympathize with a customer struggling through a difficult financial situation but can not give him credit, for such a loan would merely become one more frozen asset and by that much reduce the liquidity of the bank. Moreover bank credit must be conserved for the day when business actually revives...."

Davenport
on Con-
ditions

Russell Lord conducts an interview with Eugene Davenport, under the title "Watch Out for the Boom!" in The Country Home for June. Mr. Lord writes: "'With all the patience I can summon,' said Eugene Davenport, 'I am watching America play through once more the tragic and needless comedy of boom and bust. Always'--he gestured toward the gray, rolling farmlands through which we were driving--' these ups and downs of the price cycle have been paid for out of our basic resource, the soil. For my part, I have had enough and to spare of manufactured "prosperity" at the expense of the land. The time has come for us to get together around a common council table and plan for stability.'... 'To hear some men talk,' he said as we drove up from the railroad station, 'you'd think that never before had Americans gone on a killing and spending spree and paid for it afterwards....Of course we'll come out of it. Anybody who feels that our present troubles are abnormal simply hasn't lived long enough to recognize that what we're going through now is only the usual thing, repeated on a world scale this time. My own anxiety is not as to when the tide will turn, but that, when it does, we'll all shout for the boom, as usual, and play the fool all over again. Up one side of an economic tidal wave and down the other--is that any way for a civilized people to advance? Once more deflation is about accomplished. Once more, down-swing is ending....The great element of hope in the present situation is that we are now all pretty much in the same boat--all in a position to recognize our mistakes and limitations. There is hope also in the fact that manufacturers have come to recognize that if they grind down labor they grind down purchasing power. Farmers also are consumers, and they constitute, even today, a quarter of the population of this country. Let

industry also recognize that. I propose that agriculture call in labor and industry and draw up a defensive alliance, the common enemy being booms, panics and constant instability. I propose that the National Grange and the American Farm Bureau Federation call this conference jointly. And I offer, as a starter, these guiding principles: First--Agriculture can not imitate industry or labor. It can not boom to high-pressure dimensions, as can industry. Unlike labor, it can not strike. Second--For all concerned, this thing of pushing beyond all reasonable limits for sales and paper profits leads only to ruination and grief. When it costs more to sell a commodity than it does to manufacture it the time has come to haul in the horns. Third--Let's be satisfied with reasonable profits and with reasonable expansion. There is to be a tomorrow as well as today. Fourth--Let's stop assuming that profits can depend only on constantly rising prices and look for prosperity on the basis of dependable permanent values. Fifth--Let's stop assuming that profits depend upon getting an advantage over somebody else. To a defensive alliance against booms, panics and poverty admit agriculture on equal terms..."

Iowa
Farm
Manage-
ment

An editorial in The Weekly Kansas City Star for May 25 says: "Although Iowa farmers increased their efficiency through producing larger litters of pigs, more eggs per hen, more butter-fat per cow, tilling more acres per man, lowering investments in machinery and increasing acre yields in 1931, only seven out of a total of 651 who kept accurate records of farming as a business were able to show a positive management return. The average farm under consideration showed a loss of \$818 in 1931 as compared with a net return of \$763 in 1930 or a difference of \$1,581 from the preceding year. There are a few observations which may indicate a way out in the future. The high profit group received greater returns for the 70 per cent of the crops used for feeding purposes and recorded higher acre yields. The best management return was recorded by a group which had only 58 per cent of their land in crops; other less profitable groups farmed from 60 to 80 per cent of their total land area. They also had less than one-half as much capital invested with 91 per cent as much business. This would indicate that the efficient farmer who depended largely on his own labor rather than a return on his investment, keeping a considerable proportion of his land in grass, utilizing livestock to consume the feed produced, came through a most trying period with less financial embarrassment."

Irish
Agri-
culture

An editorial in The Farmers' Gazette (Dublin) for May 21 says: "Last week, not knowing what secrets the budget statement was to reveal, we were obliged to confine our remarks to some general anticipations. This week we have material for comment in abundance; but the one thing certain that emerges from Mr. McEntee's pronouncement is that the country as a whole must face a further period of privation before any definite improvement comes into prospect. On all sides, since last Wednesday,

hard things are being said about the new Minister for Finance; but from the point of view of those engaged in agriculture the worst feature of his proposals is the high percentage of national income to be devoted to purposes which can hardly be regarded as directly productive and which may more properly be counted simply as a safeguard against social revolution. In one direction especially, the new Minister seems to us to run a grave risk of being sorely disappointed. The present state of trade and commerce does not indicate a probable maintenance of either individual or national income on the level of last year; and if revenue continues to fall and productive effort to decline in value, it may easily happen that even the sacrifices now demanded from everybody may fail in their immediate purpose....In one definite particular, at least, we are glad to note that Mr. McEntee has endeavored to do some positive good for agriculture. Capital is the crying need on nearly all farms; and in spite of professions of good will from every side, it has not been possible, heretofore, to secure money on terms likely to make its free use really economic. In Great Britain and elsewhere abroad, this condition of things matters very materially, but having regard to our almost complete dependence on agriculture, it matters even more in Ireland. In recent years, the Agricultural Credit Corporation has done something to relieve the strain on the larger holdings; but as it could not continue to exist and, at the same time, give money on cheaper terms than it could borrow, its use to the small man of a few acres was very limited. Now, Mr. McEntee proposes to strengthen the position of the Credit Corporation by giving a substantial allowance for income tax purposes on dividends drawn from the investments made in its new public issues...."

Sugar Cane Nature (London) for May 7 says: "The Report of the Research proceedings of the Imperial Sugar Cane Research Conference, held in London in July 1931, has recently been issued....The conference, to which reference has already been made in Nature was convened by the Empire Marketing Board to discuss the future of scientific research in sugar cane production, but it was decided that the world economic position should be considered in drawing up a research program. As a result, some seventy pages of the report give a review of the economic position of the industry, which contains many valuable facts and figures. The present organization of research within the British Empire is considered in some detail in reference to the various cane sugar growing areas, after a brief general introduction by Dr. P. S. Hudson that deals mainly with the genetical side of the problem. Doctor Hudson concludes that whilst some early advances have been made, and still may be expected, the full utilization of scientific methods in breeding, which involves a cytological study of the genetical material, can alone lead to continued progress and development in this line of work, which is of so much importance in developing Empire resources. Dr. W.R. Thompson points out that, owing to the wide range of habitat in which sugar cane can be successfully grown, it suffers from an unusually large list of insect parasites. With some of these,

such as the leaf frog hopper in Hawaii; a very great measure of success in combating them has been obtained by using the method of biological control. Dr. Thompson states that the method of biological control has this great advantage that, when it can be successfully applied, it provides what is practically permanent relief at a relatively small initial cost."

Wheat Revival Modern Miller for May 21 says: "Roger Babson, in a wheat summary, May 20, says there is a prospect of higher wheat prices, and expresses the opinion that wheat may lead other cereals to higher levels and may be the forerunner of commodity advances. Mr. Babson says that a striking parallel exists between the present situation and that of 1893 to 1896. Europeans must eat and, unless there is a sudden change in foreign crop prospects, Europe will turn to North America for additional supplies. "

Section 3 MARKET QUOTATIONS

Farm Products June 1.--Livestock: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$6.25 to \$7.75; cows, good and choice \$3.75 to \$4.75; heifers (550-850 lbs.) good and choice \$5 to \$6.25; vealers, good and choice \$5.50 to \$6.50; feeder and stocker cattle, steers, good and choice \$4.75 to \$6; heavy weight hogs (250-350 lbs.) good and choice \$3 to \$3.40; light lights (140-160 lbs.) good and choice \$3 to \$3.35; slaughter pigs (100-130 lbs.) good and choice \$2.65 to \$3.10 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$6 to \$6.85.

Grain: No.1 dark northern spring* Minneapolis 61 to 63¢; No.1 northern spring* Minneapolis 61 yo 63¢; No.1 hard winter* Kansas City 51 1/2 to 53 3/4¢; No.2 hard winter* Kansas City 51 1/4 to 53 1/4¢; Chicago 57¢; St. Louis 56 1/2¢ (Nom.); No.2 S.R. Winter Kansas City 50 to 53 1/2¢; Chicago 57¢; St. Louis 53 to 53 1/4¢; No. 1 W. Wh. Portland 55¢; No.2 Am. Dur.* Minneapolis 50 3/4 to 54 3/4¢; No.1 Durum (Duluth) 53 3/4 to 55 3/4¢; No.2 rye Minneapolis 32 7/8 to 34 7/8¢; No.2 mixed corn Kansas City 29 1/2 to 30 1/2¢; Chicago 29 1/2¢; St. Louis 30 1/2¢; No.2 white corn Kansas City 30 to 31¢; No.2 yellow corn Kansas City 31 1/2 to 32 1/2¢; Chicago 30 1/4 to 30 3/4¢; St. Louis 30 1/4 to 30 3/4¢; No.3 yellow corn Minneapolis 27 to 29¢; Kansas City 30 1/2 to 31 1/2¢; Chicago 30 to 30 1/4¢; St. Louis 38¢; No.2 white oats Chicago 22 1/2 to 22 3/4¢; St. Louis 22 1/2¢; No.3 white oats Minneapolis 21 1/8 to 22 5/8¢; Kansas City 22 to 24 1/2¢; Chicago 21 1/4 to 22 1/2¢; St. Louis 22¢ (Nom.); Special No.2 barley Minneapolis 44 to 45¢; Chicago 38 to 46¢; No.1 flaxseed Minneapolis \$1.11 to \$1.14.

*Prices basis ordinary protein.

North Carolina Cobbler potatoes \$3.25-\$4.25 per stave barrel in eastern cities; \$3.15-\$3.25 f.o.b. Washington. Alabama, Louisiana and Texas sacked Bliss Triumphs \$2-\$2.25 per 100 pounds carlot sales in Chicago; \$1.40-\$1.50 f.o.b. Mobile. Maine sacked Green Mountains 75¢-\$1.05 in the East. Wisconsin sacked Round Whites 85¢-95¢ carlot sales in Chicago. Texas Yellow Bermuda onions, U.S. Commercial, 75¢-\$1 per 50-pound sack in consuming centers; 45¢-55¢ f.o.b. Coastal Bend Section. California Salmon Tint cantaloupes \$2.75-\$3.25 per standard 45s in city markets; \$1.60-\$1.75 f.o.b. Brawley. Maryland various varieties of strawberries \$1.50-\$2.75 per 32-quart crate in the East; \$1.40-\$1.85 f.o.b. Pocomoke City.

Wholesale prices of fresh creamery butter at New York were: 92 score, $17\frac{1}{2}$ ¢; 91 score, 17¢; 90 score, $16\frac{1}{2}$ ¢.

Wholesale prices of fresh No. 1 American cheese at New York were: Flats, $10\frac{1}{2}$ to 13¢; Single Daisies, $11\frac{1}{2}$ to 12¢; Young Americas, $11\frac{1}{2}$ to $12\frac{3}{4}$ ¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 15 to $17\frac{1}{2}$ ¢; Standards, $14\frac{1}{4}$ to $14\frac{1}{2}$ ¢; Rehandled Receipts, $13\frac{3}{4}$ to $13\frac{3}{4}$ ¢.

Average price of Middling spot cotton in ten designated markets declined 22 points to 4.79¢ per lb. On the same date last year the price stood at 7.88¢. July future contracts on the New York Cotton Exchange declined 23 points to 5.00¢ and on the New Orleans Cotton Exchange declined 26 points to 5.00¢.
(Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLV, No. 54

Section 1

June 3, 1932.

THE TAX BILL

The press today says: "A complete agreement on all features of the tax bill was reached by the Conference Committee of the House and Senate last night, according to today's press. Official announcement of the conclusions was withheld, pending a formal report today to the House. The report says: "In the absence of definite word from the committee, reports persisted from authentic sources that the conferees accepted most of the Senate provisions, including the Connally amendment, providing heavy increases in individual income taxes...."

THE ECONOMY MEASURE

The press today says: "Returning to its customary deliberative routine, the Senate debated the economy bill for more than six hours yesterday without reaching the point where a vote could be taken on the proposal to cut Federal salaries 10 per cent, the first item in the bill. Four members of the appropriations subcommittee that framed the bill, Senators Byrnes, Bratton, Jones and Dickinson, urged the necessity of adopting the pay cut amendment to the House bill unless all hopes for a substantial economy bill were to be virtually wrecked, but opposition, gauged by the number of Senators who spoke, was intense. Before the day ended three amendments were offered to this pay cut amendment, each of which would cut the benefit to a fraction of the \$121,050,000 that the 10 per cent slash would yield if applied to all Federal employees except the enlisted personnel of the armed services...."

THE RELIEF BILLS

The press today says: "President Hoover sent two of his most outspoken Cabinet members to Congress yesterday to voice his opposition to the Garner relief bill and parts of the Wagner bill. Secretary Mills appeared yesterday morning before the Senate banking and currency committee, while Secretary Hurley addressed the ways and means committee for three hours....While Mr. Mills and Mr. Hurley were pressing the administration point of view at the hearings, the President was conferring with Senators Lewis and Glenn on the problem of direct relief to States. After the conference Senator Lewis said the President favored providing \$300,000,000 to \$500,000,000 for such unemployment loans in the next fiscal year and that a group of Senators headed by Senators Lewis and Glenn would draft such a bill...."

ABBOT ON

WEATHER CYCLES

Dr. Charles G. Abbot, Secretary of the Smithsonian Institution, announced yesterday a discovery of eight cycles in the climate of Washington, according to the press today. The report says: "The peridometer, a mathematical machine recently perfected by Dr. Abbot, made possible the discovery of these cycles, which are mutually independent periodicities in monthly temperature departures from twelve-year means found in the United States Weather Bureau records between 1918 and 1930...The hidden eight cycles found in the Washington temperatures consisted, respectively, of 8, $9\frac{1}{2}$, $13\frac{1}{2}$, 18, 25, 45, 68 and 135 months, and they ran consistently through the 144 months analyzed by the machine...."

Section 2

Agricultural Returns An editorial in The Scottish Farmer for May 21 says: "The daily papers indicate how the financial position of each nation is embarrassed. In Great Britain the taxpayer is subjected to a heavy assessment, and there are rumors of still further impositions. The flood of prosperity has receded from America, France is not at all happy, Germany with a stiff tariff barrier has raised internal prices far above the world level, Italy announces a large deficit, and even Denmark is emerging from a wage lockout in the endeavor to depreciate prices still further. Commodity prices are so low as to leave little remuneration for the primary producer. A perusal of the agricultural index figure table shows that it now stands at 13 per cent above pre-war, which, with the exception of the figure for last November, is the lowest level reached since the war. But for the high price of potatoes the index figure would be considerably lower, and experience has proved how uncertain a crop it is on which to place reliance. Farmers are a patient body. Concerned as they are with production, the machine has been gradually perfected until there is little fear of scarcity. The science of manuring, scientific breeding, and the effective control of disease and pests insure an abundant variety of food. The anti-climax has unfortunately been reached, in which there is a surplus of food, low prices, and yet millions are on the verge of starvation. To control this position tariff walls are raised everywhere, and while these may be commended as temporary expedients for national reasons, it is difficult to foresee a future in which they are consistent with progress. There are definite branches in home agriculture which need encouragement, and until these are developed and the conditions under which the foreigner produces are similar to those in this country, then there is much to be said for temporary protection and control of imports. There is also the fact that the industry sadly needs organized marketing. In reviewing the situation therefore, we have abundance of goods to sell, peoples needing these goods, prices inordinately low and yet there is a stalemate. The goods remain frozen because of one weak link in the route between producer and consumer, and that is scarcity of money....We therefore welcome the recent Parliamentary discussion in which Major Elliot expressed a willingness to meet American representatives to discuss the financial position. Nothing yet suggested would have such an influence on agriculture as a settlement of this vexatious problem....United action by America and Great Britain would give a lead to the world, and it is to be hoped that the suggestion made in the House of Commons is followed by immediate action."

Corporation Farming An editorial in New Jersey Agriculture for June says: "During this decade of big mechanical and economic enterprise we have shown an increasing dissatisfaction with everything old. The new must conform to mass production and speedy output. So it came to pass that a few among us decided that corporation farming would supersede the individual family type of farming.

Advocates of the change have argued with a persistency and plausibility equaled only by the opponents, and the discussion has sometimes seemed destined for an interminable existence. But, harsh schoolmaster that it is, the depression insistently points to a new lesson. Except under isolated conditions corporation farming will not work in this country. The collapse of our economic structure and the plight of our mass producers are proof of the fallibility of large size....It must be remembered, also, that there are about 30 million farm folks to be reckoned with. They are not going to give up their homes and their business without a fight. Despite their lack of prosperity, a great majority of them know they are, after all, happier out on the old farm, away from noise, smoke, grafters, and racketeers. They just are not going to budge an inch--corporation farming or no corporation farming. Some of them may contract to grow certain crops for a central agency that in turn will agree to rent certain types of expensive equipment to be used cooperatively on the individual farms, but not many of them will sell out for the sake of working under an overseer. When power gets too centralized the target for popular wrath is easily identified....We believe that this depression has proved his statement by showing the ability of the individual farmer to hang on while corporations in far safer businesses than agriculture are well-nigh crushed beneath the debris of a credit structure that has collapsed upon them."

Keynes on John Maynard Keynes, writing under the title "The Conditions World's Economic Outlook" in The Atlantic Monthly for May, concludes: "...The following, then, is the chapter of events which might conceivably--I will not attempt to evaluate the probability of their occurrence--lead us out of the bog. The financial crisis might wear itself out before a point of catastrophe and general default had been reached. This is, perhaps, happening. The greatest dangers may have been surmounted during the past few months. *Pari passu* with this, the deflationary pressure exerted on the rest of the world by the unbalanced creditor position of France and the United States may be relaxed, through their losing their creditor position as a result of the steady operation of the forces which I have already described. If and when these things are clearly the case, we shall then enter the cheap-money phase. This is the point at which, on the precedent of previous slumps, we might hope for the beginning of recovery....In all our thoughts and feelings and projects for the betterment of things, we should have it at the back of our heads that this is not a crisis of poverty, but a crisis of abundance. It is not the harshness and the niggardliness of nature which are oppressing us, but our own incompetence and wrong-headedness which hinder us from making use of the bountifulness of inventive science and cause us to be overwhelmed by its generous fruits. The voices which--in such a conjuncture--tell us that the path of escape is to be found in strict economy and in refraining, wherever possible, from utilizing the world's potential production are the voices of fools and madmen....Obviously it is much more difficult to solve the problem today than

it would have been a year ago. But I believe even now, as I believed then, that we could still be, if we would, the masters of our fate. The obstacles to recovery are not material. They reside in the state of knowledge, judgment, and opinion of those who sit in the seat of authority. Unluckily the traditional and ingrained beliefs of those who hold responsible positions throughout the world grew out of experiences which contained no parallel to the present, and are often the opposite of what one would wish them to believe today. In France the weight of authoritative opinion and public sentiment is genuinely and sincerely opposed to the whole line of thought which runs through what I have been saying. In the United States it is almost inconceivable what rubbish a public man has to utter today if he is to keep respectable. Serious and sensible bankers, who as men of common sense are trying to do what they can to stem the tide of liquidation and to stimulate the forces of expansion, have to go about assuring the world of their conviction that there is no serious risk of inflation, when what they really mean is that they can not yet see good enough grounds for daring to hope for it.... Nothing could be a greater advantage to the world than that the United States should solve her own domestic problems, and, by solving them, provide the stimulus and the example to other countries...."

Wage Cuts

Wage rates have been cut 13.9 per cent, executives' salaries 20.3 per cent and other salaries 15.9 per cent during the past two years, the National Industrial Conference Board, New York, estimated May 28 on the basis of special reports from 1,718 business concerns. The figures deal only with the rate of payment. They do not attempt to show the decline in actual payments brought about by reduction in time worked, extra vacations without pay or other methods of reducing the actual amount of money received by the wage and salary earner. The board feels that the statistics answer quite conclusively the vast amount of speculation about the extent and severity of wage and salary cuts, since the coverage represents 16 per cent of those gainfully employed in 1929 in the six major business fields studied, which except principally agriculture and personal or professional pursuits. (Press, May 29.)

Wool Market

The Commercial Bulletin (Boston) for May 28 says: "There is a little more interest being shown in wool in this market and a very little buying, although prices are not quoted with marked assurance as yet. Manufacturers evidently have not reached the point where they can make large commitments against the sales of piece goods, although with the lowest-priced wools available since the nineties and general reductions in wages prevailing among the mills, there should be an opportunity to manufacture goods at attractive prices, even under present market conditions. In the West there has been further purchasing of the new clip in Texas at prices which show a clean cost approximating 30 cents landed Boston for good twelve months wools. In the Northwest, especially in Wyoming, Utah and Nevada, there

has been a considerable weight of wool taken on consignment against cash advances of 6 to 7 cents. In Ohio, about 8 cents is usually paid for best medium clips and around 7 cents for mixed fine clips. London opened Tuesday with offerings of 125,000 bales, mostly crossbred wools. Merinos were about on par with the closing in April and crossbreds generally 7 to 10 per cent lower. The opening rates have been fairly well maintained."

Section 3 MARKET QUOTATIONS

Farm Products

June 2.--Grain: No.1 dark northern spring* Minneapolis 62 5/8 to 63 5/8¢; No.1 northern spring* Minneapolis 62 5/8 to 63 5/8¢; No.1 hard winter* Kansas City 51 to 52¢; No.2 hard winter* Kansas City 50 3/4 to 51 1/2¢; St. Louis 56 1/2¢ (Nom.); No.1 S. R. Winter St. Louis 54¢; No.2 S.R. Winter Kansas City 49 1/2 to 53¢ (Nom.); St. Louis 53 1/4 to 53 3/4¢; No.1 W. Wh. Portland 55¢; No.2 Am. Dur.* Minneapolis 51 5/8 to 55 5/8¢; No.1 Durum (Duluth) Minneapolis 54 5/8 to 56 5/8¢; No.2 rye Minneapolis 32 3/4 to 34 3/4¢; No.2 mixed corn Kansas City 30 to 31¢; St. Louis 30 to 30 1/2¢ (Nom.); No.2 white corn Kansas City 30 to 31¢; No.2 yellow corn Minneapolis 33 to 34¢; St. Louis 30 3/4¢ (Nom.); No.3 yellow corn Minneapolis 28 1/2 to 30¢; Kansas City 32 to 33¢; Chicago 30¢; St. Louis 30 1/2¢; No.2 white oats Chicago 22 1/2 to 24 1/4¢; St. Louis 22 1/2¢ (Nom.); No.3 white oats Minneapolis 21 1/8 to 22 5/8¢; Kansas City 23¢; Chicago 21 3/4 to 24 1/2¢; St. Louis 21 3/4¢; Special No.2 barley Minneapolis 44 to 45¢; Chicago 38 to 46¢; No.1 flaxseed Minneapolis \$1.12 1/4 to \$1.15 1/4.

Livestock: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$6.50 to \$7.75; cows, good and choice \$3.75 to \$4.75; heifers (550-850 lbs.) good and choice \$5.25 to \$6.50; feeder and stocker cattle, steers, good and choice \$4.75 to \$6; heavy weight hogs (250-350 lbs.) good and choice \$3.10 to \$3.40; light lights (140-160 lbs.) good and choice \$3 to \$3.35; slaughter pigs (100-130 lbs.) good and choice \$2.65 to \$3.10 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$6 to \$7.

North Carolina Cobbler potatoes \$3.50-\$4.50 per stave barrel in the East; \$3-\$3.10 f.o.b. Washington. Alabama, and Louisiana sacked Bliss Triumphs \$1.85-\$2 per 100 pounds carlot sales in Chicago; \$1.25-\$1.40 f.o.b. Mobile. Maine sacked Green Mountains 75¢-\$1.05 in eastern cities and Wisconsin sacked Round Whites 90¢-\$1 carlot sales in Chicago. Eastern various varieties of strawberries \$2.50-\$3 per 32-quart crate in city markets; \$1.50-\$1.80 f.o.b. Pocomoke City. California Salmon Tint

*Prices basis ordinary protein.

cantaloupes \$3-\$3.50 per standard 45s in consuming centers; \$1.60-\$1.75 f.o.b. Brawley. Texas Yellow Bermuda onions, U. S. Commercials, 75¢-\$1 per 50-pound sack in city markets.

Wholesale prices of fresh creamery butter at New York were: 92 score, $17\frac{1}{2}\phi$; 91 score, 17ϕ ; 90 score, $16\frac{1}{2}\phi$.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, $10\frac{1}{2}$ to 13ϕ ; Single Daisies, $11\frac{1}{2}$ to 12ϕ ; Young Americas, $11\frac{1}{2}$ to $12\frac{1}{4}\phi$.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 15 to $17\frac{1}{2}\phi$; Standards, $14\frac{1}{4}$ to $14\frac{1}{2}\phi$; Rehandled Receipts, $13\frac{1}{4}$ to $13\frac{3}{4}\phi$.

Average price of Middling spot cotton in 10 designated markets advanced 23 points to 5.02ϕ per lb. On the same day last year the price was 8.16ϕ . July future contracts on the New York Cotton Exchange advanced 22 points to 5.22ϕ , and on the New Orleans Cotton Exchange advanced 22 points to 5.22ϕ . (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

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Vol. XLV, No. 55

Section 1

June 4, 1932.

THE ECONOMY MEASURE

The press today says: "Climaxing three days of debate that virtually spelled the doom of any flat Federal salary reduction, the Senate economy committee's 10 per cent wage slash plan today will run the gantlet against a field of graduated pay cut schemes. When the Senate convenes at 10 a.m. a vote will be sought on the Johnson amendment exempting salaries under \$2,500. Appropriations Chairman Wesley L. Jones hopes to complete consideration of the entire \$238,605,000 economy bill before adjournment...."

THE TAX BILL

The New York Times today says: "The conference committee's formal agreement on taxes was laid before the House at noon yesterday, thus clearing the way for final action by Congress on the revenue bill. In order to have the Senate prepared for the swiftest possible action when the conference report reaches there today, Chairman Smoot of the finance committee laid on each Senator's desk a digest of the agreement. Presentation of the completed measure to President Hoover for his signature is expected by Monday at the latest...."

HINDENBURG IS MADE DICTATOR

A Berlin Associated Press dispatch of June 3 says: "President Paul von Hindenburg became virtual dictator of Germany yesterday with the apparent approval of Adolf Hitler and his Nazis. The formal action which put the veteran commander of the kaiser's imperial armies in the saddle was a decree he personally issued dissolving the Reichstag--a move which sidestepped certain veto of the new 'titled' cabinet of Franz von Papen. The dissolution, however, means that a general election will be mandatory within 60 days. It was indicated that the date would be set by emergency decree for some time later in July...."

INTERNATIONAL ECONOMIC CON- FERENCE

The United States is prepared to adopt the British suggestion and attend a general economic conference in London as the second part of the Lausanne conference to discuss general economic conditions, according to the press of June 3. The report says: "This country will be represented only on the express understanding that reparations, tariff rates and governmental debts owed the United States will not be discussed...."

GRASSHOPPERS INVADE MANITOBA

A Winnipeg dispatch June 1 says: "Backed by Manitoba's department of agriculture, seventy-five municipalities throughout the Province went into action May 31 in a war on grasshoppers. Thousands of acres of green fields were reported alive with the pests, and carloads of poison bait have been distributed in an effort to halt the invasion.... Serious outbreaks were reported from Sifton, Springfield and North Norfolk. At Rosenfeld fifty farmers were waiting at one time with trucks to carry away poison bait."

Section 2

- Acreage** American Agriculturist for May 28 says: "It is our hope that the ruinous prices which now prevail for farm products will at least result in a planting of a smaller acreage this year. It is a natural feeling of farmers that the smaller the income, the larger the volume must be in order to meet expenses. But that is not good reasoning for enlarging the acreage on poor or even medium fertile land. Such land does not pay returns in good times; it certainly will be cultivated at a loss now."
- Dairy Conditions** An editorial in Wallaces' Farmer for May 14 says: "Although dairy products are extremely low in price, there is yet no serious overproduction. This is coming later when the cotton folks start raising more hogs and the hog folks go more extensively into dairying. Moreover, it must be remembered that during the past ten years hundreds of thousands of dairy cows have been slaughtered as tuberculosis reactors. Moreover, the fact that there are hundreds of thousands of herds which are absolutely free from tuberculosis will result in a larger supply of dairy products. Tuberculin testing in the past has helped maintain dairy prices; in the future it will reduce them. Fortunately, the dairymen are better organized than most other classes of farmers. Around the larger cities, they have been able to hold up prices in an unusual way. Dairymen can cut down their production sooner than other kinds of farmers, either by feeding less or by selling the lower-producing cows. In our opinion, they are going to have to exercise all of these methods of control if they are to prevent very serious oversupply of dairy products during the next three or four years. Dairy products may seem unusually low in price, but farmers who have been producing cotton, corn, wheat and hogs are now turning to dairying because they think it offers a better opportunity. It is a time for the dairy leaders to study the situation with unusual care."
- Insect Pests** An editorial in Pennsylvania Farmer for May 28 says: "Reports from many points indicate more than abundance of insect pests this year. In New Jersey the commercial tomato crop is menaced by potato beetles. In Ohio cutworms have gone to climbing fruit trees and eating the foliage, working at night of course. As many as 150 cutworms have been found under a single tree. Aphids are infesting Pennsylvania alfalfa fields for the first time in such numbers as to be destructive. There is only one way to handle a great infestation of any kind, the use of insecticides wherever possible. But that will hardly work in a hay crop."
- Livestock Loss in South Dakota** An editorial in The Dakota Farmer for May 28 says: "A loss is a loss, no matter how small, but it is pleasing to note that South Dakota's livestock loss during the past winter was far short of the hysterical predictions of some who, during the winter, seemed to derive satisfaction from telling wild tales--over the radio and otherwise--of terrific losses; of cattle and sheep 'lying dead in windrows' along fences, etc. The annual

spring survey, just completed, shows that losses were no more than to be expected in any severe winter. The following figures show the percentage of average normal loss, last winter's loss and actual loss on farms of the survey reporters: Cattle, normal loss, 2.6; past winter loss, 7.5; reporters' own loss, 4.1; sheep, normal loss, 4.5; past winter loss, 10.9; reporters' own loss, 6.0; hogs, normal loss, 3.2; past winter loss, 5.6; reporters' own loss, 4.0; horses-mules, normal loss, 2.6; past winter loss, 5.15; reporters' own loss, 7.6. "

New England's Live-stock Program An editorial in New England Homestead for May 28 says: "Now England as a unit needs a well-balanced livestock program. Far-sighted farmers are beginning to appreciate this fact. Our future agricultural success will depend to a large extent on the soundness of that program. Sometimes it takes an earthquake to move the Yankee farmer, but recent experiences in the milk field indicate that sooner or later he will act for self-protection. Any livestock program for New England must needs be based on dairying....Sheep should play a very important part in any New England livestock program...To round out a balanced program, beef cattle, hogs, and horses also are essential. During the past few years there has been a very definite trend toward beef cattle on a commercial basis. With plenty of hay land and pasture, beef cattle raising can add considerably to our New England farm revenue. During the past year we experienced, for the first time in years, a definite increase in our hog population. The milk business has driven pork from our farms but most farms still have the facilities for raising a few hogs for home consumption. There is still a place for good draft horses on our farms and during the past few years a good market has been developed for light horses for saddle purposes. We can raise this class of horse cheaper than in most sections of the country. New England needs a well-balanced livestock program. Dairy, beef, dual purpose cattle, hogs, sheep, horses, all have a definite place in such a program. Properly handled, each and all can add to New England's agricultural wealth and also aid materially in maintaining our farms in a high state of productivity."

Rubber as Fuel The press of May 31 says: "Raw rubber imported into England is being burned, not merely to get rid of an excess supply but because it is a better fuel and costs less than wood. Too much coffee in Brazil has resulted in its use in locomotives, and surplus supplies of other commodities have been burned to keep the price up, but overproduction has brought about no discovery such as is claimed for rubber. Experts have stated that rubber will give more heat for the size of the sticks burned than any other fuel. Any one whose nose has ever been insulted by the odor of a smoking tire would imagine that an open hearth on which a rubber fire glowed would be unbearable. But the raw product lacks the characteristic smell of the manufactured article, and is said to burn with a slightly aromatic odor. They

are experimenting with stocks of unwanted raw rubber in England, and the little strips, cut from the sheets as they arrive, are being sold to householders for their grates and to hikers for their campfires. In houses they are used for kindling, and for outdoor cooking they are said to be highly satisfactory, as they make a hot fire quickly."

Tuberculosis An editorial in The Dakota Farmer for May 14 says:
Eradica- "Occasional complaints reach us in connection with the working
tion in of the livestock tuberculosis eradication laws in both Dakotas
The Da- although it appears that work is not being strenuously pushed
kotas at this time. With the exception of four counties--and two now
testing--North Dakota is now in the modified accredited area.
In South Dakota but six counties are now so accredited, with two
reported as now testing. After July 1 next, all cattle, except
those for immediate slaughter, originating in any non-accredited
county must be tuberculin tested and certified before entering
an accredited county or one in process of testing."

DAILY DIGEST

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Vol. XLV, No. 56

Section 1

June 6, 1932.

THE PRESIDENT'S RELIEF PLAN The press today says: "President Hoover's four-point plan to meet the unemployment problem and 'to stiffen the whole agricultural situation' was made public in a statement issued by the White House yesterday afternoon. The conclusions set forth in the statement were agreed upon by the President and members of the board of the Reconstruction Finance Corporation at conferences held Saturday at the President's Rapidan camp. The proposal, designed for the attention of Congress, would give authority to the Reconstruction Finance Corporation to increase the issues of its securities to \$3,000,000,000 to enable it to make loans to States for the relief of distress, to the Federal Farm Board for relending to farm cooperatives and for loans upon the security of agricultural commodities, the latter action to be independent of the Farm Board. The limit of loans to States to be applied to distress relief is fixed at \$300,000,000...."

THE TAX BILL Final approval of the tax bill is expected in the Senate today, according to the press. The report says: "The conference report, adopted by the House without record vote, reached the Senate Saturday. Leaders predicted sure adoption of the conference agreements, which then would send the billion-dollar measure to President Hoover for his signature...."

FEDERAL SALARY LEGISLATION The press yesterday stated that the Senate on Saturday voted to reduce all Federal salaries, except those of less than \$1,000 a year, by 10 per cent for the fiscal year beginning July 1. The report says: "The estimated saving will be \$117,150,000, or \$3,900,000 less than that recommended by the appropriations committee, which advocated a 10 per cent cut without exemptions. The salary cuts are the most important item in the Senate economy bill, drafted to save \$238,605,000 during the coming fiscal year..." The press today says: "A last effort to defeat 10 per cent Federal pay cuts in the Senate by substituting the President's compulsory furlough plan may be made late today. Senator George H. Moses of New Hampshire will press for a vote on the furlough amendment when the economy bill again is called up...."

CHILEAN CONDITIONS A Socialist republic was proclaimed in Chile on Saturday night by the revolutionary junta which seized power from the government of President Juan Estaban Montero, according to a Santiago dispatch today. The proclamation announced a program of seizure of big business and large estates on a scale not hitherto approached in modern times outside of Soviet Russia, according to the report which says, further: "Dissolution of Cosach, the huge nitrate syndicate in which a large amount of United States capital is invested, is indicated as in prospect. Reopening of small nitrate plants which were closed when the syndicate was formed is forecast, with the old-style Shanks extraction process to be revived in order to create more employment. The new Guggenheim patented process apparently will be ignored...."

Section 2

Arabian The University of California has accepted the gift of
Horse W. H. Kellogg's Arabian horse ranch near Pomona, and a \$600,000
Ranch endowment, and has agreed to carry on for two-score years the
work of the donor. The undertaking is expected to finance re-
search work in animal genetics and at the same time, through sur-
plus of increase, help to stock ranches and stables with a finer
breed of saddle horses than the West ever has known. (Science,
May 27.)

British The British Medical Journal for May 21 says: "The problem
Milk of producing an adequate supply of good milk is one that has
Problems always exercised those concerned with the public health of the
country. We do not consume per head of population as much milk
as most of our neighbors--an abstinence, it is held, that is not
in the best interests of the nation's health. It was pointed out
in Parliament about a year ago that the consumption of milk in
Scandinavia is six times, in America three times, and in Canada
twice what it is in this country. It may to a certain extent be
true that the public has not been sufficiently instructed in the
value of milk as food, despite the efforts of health organizations.
It is, however, worse than useless to tell people to 'drink more
milk' if there does not exist enough milk at a price they can af-
ford, and worse still if much of the milk is not of the best
quality. The state of affairs at the moment is clearly set out
in the report of the special committee appointed by the People's
League of Health to make a survey of tuberculosis of bovine origin
in Great Britain. This committee found that 40 per cent of milch
cows in the country are infected with tuberculosis; that 6.7 per
cent of raw market milk contains living tubercle bacilli; and that
2,000 deaths and 4,000 fresh cases of bovine infection, at a se-
verely conservative estimate, occur in the population every year.
Lord Moynihan declared last year in the House of Lords that over
30 per cent of tuberculosis in children came from cattle, and
that 70 per cent of nonpulmonary tuberculosis was borne by milk.
From these figures it is possible to form some estimate of the
amount of disease and crippling which must exist, but which no
statistics can accurately measure....Broadly speaking, there are
two ways of insuring a supply of harmless milk. One is to erad-
icate tuberculosis from dairy cattle; the other is to pasteurize
all milk, except that produced under ideal conditions from
tubercle-free herds. Obviously the former method is hard, the
latter comparatively easy. No one taking a long view of the na-
tional welfare would, however, concentrate on the latter and ne-
glect the former. The question is: How to set about the colos-
sal task of eradication, and to what extent can the palliative
measure of pasteurization be used in the meantime?..."

Country C. F. Ansley, writing in World Unity for June, says:
Life "Man is till gregarious, and many American business farmers un-
derstand that their business condemns their families to be under-
privileged. Professor T. N. Carver of Harvard says that 'the
problem of country life is not solved when you have made the

farmer prosperous.' 'Farmers are leaving the farm most rapidly where farming is most prosperous. This is borne out absolutely by statistical evidence.' Farmers move to the city, Professor Carver says, if they can afford to. The most of them can not move unless they can secure employment in the city; and some difficulty in this matter has slowed up the rural exodus. Metropolitan papers agree that there are too many business farmers, and men in high official stations have urged these farmers to diminish their production; but at present they can not find employment in the city and must produce all they can where they are. Many of them are assisted more or less in production by refugees from the city--kinsfolk or old neighbors. Measures have been taken to keep farmers out of cities, but the ways remain open to travel in the opposite direction. The underprivileged are not all on business farms; many in fact prefer what they find there to what they have experienced in the cities. Aristotle says that 'among ourselves'--that is, in a Greek city state--'no one is in want.' Business farming was not an approved occupation, but farming to produce what the household could use was approved. Every household, it was held, should have an acre or two of land. 'Vast' estates, of twenty-five acres or even more, were exceptional and temporary. An acre rightly managed produces an amazing amount, and to the Greeks economics meant farm management. The husbandmen did not limit their industry to tilling the soil and caring for livestock. Of olives they made oil; of grapes they made wine. The city state ought to be 'self-sufficing,' though no city state ever quite reached that goal. Overproduction was not a recognized evil at that time, and no city state was accused of injuring others by dumping...."

Farm Sales F. H. Daniel, president of the Federal Land Bank of in South Columbia, announced June 5 that the bank has sold so far this Carolina year \$1,500,000 worth of farms and that these sales are fairly well distributed over the territory covered by the bank--the Carolinas, Georgia and Florida. "Records reflect a very decided increase in the number of inquiries this year over last year," says Mr. Daniel, "and most of our sales this year have been made to individuals residing in the territory where the lands are situated." Commenting upon the trek back to the land, Mr. Daniel said: "A relatively large number of sales have been made to individuals who have been residing in small towns and cities and who find it necessary to look for a small farm which will provide a reasonable living for the purchaser and those dependent upon him. Normally, we try to sell properties to people who have had farming experience. There are still thousands of people in the cities and towns who left the farms a few years ago with the expectation of becoming rich from their urban labors. The delusion has passed. They know now that the house rent, heating expense, the food and the clothes necessary to 'keep up with the Joneses' all take heavy toll from the pay envelope; whereas, as farmers, though they did not have as much ready cash they did have adequate shelter, food, fuel and clothing, an interesting vocation and at times they were able to lay by surplus cash."

Many a farm has been paid for from farm activities and many will be so financed in the future. From the standpoint of average returns, the farmer who pays for his farm property and gets it clear of mortgages and accumulates a fair amount of surplus does better than the average person in the city or town...."

Land Pioneer- ing Dr. Isaiah Bowman, director of the American Geographical Society of New York, is quoted in Science for May 20 as saying: "...The forward thrust of population into new land means not merely a movement of people. It means also the extension of a system of agriculture as well as systems of economics and of social organization. The earth can not be viewed abstractly by the colonizer. A piece of land is not merely something to be judged according to its capacity of producing a given crop. The system of tillage that may be employed comes to have as much to do with the result as the rainfall. Great distance from market may prevent the exploitation of even the richest soil. The remoteness of a given region may make it impossible to maintain contact with neighbors and to participate in community life. These we call matters of 'social density' and 'economic density,' and there are limits of toleration to both. At least this is true for the greater number of people, though account must also be taken of the pioneer of the Voortrekker type whose 'neighbors' smoke shall vex his eyes' and whose chief purpose between birth and death seems to be to increase the distance between himself and a railroad....These are but indications of the categories of inquiry and fact in which the geographer is interested in his intensive study of the zone of experimentation called 'the pioneer fringe.' Economic, historical and sociological problems are also involved. Where earlier students saw the line of pioneering halted and a condition made static, the geographer sees a continuing dynamic. The frontier type of living is in a sense a permanent feature of the life of our western border country. Here the population must constantly experiment, constantly gamble on climate and market price if the land is to be occupied. The man who is unwilling to guess that the rainfall will be sufficient for a crop will never sow his seed and take his chances with rainfall or, rather, with drought. The process of adjustment is endless. We can not say merely, 'Withdraw farmers from the marginal lands and let grazing become the permanent form of occupation.' There is no such thing as a 'permanent' type of land use on our climatic borders. Moreover, the whole of society and economics is changing constantly. So, too, will the use of the land, and, so long as periods of wet years come on the dry borders and periods of frostless and protracted growing seasons on the cold borders, so long will settlers try their luck again and again, hazard their living on their guess that a crop can be raised, and challenge science to forecast the extremes of climate with which they gamble...."

Plant "Plants Can Think" is the title of an article in Popular Science for July, which tells of the experiments of Dr. Earl S. Johnston of the Smithsonian Institution of Washington, who, it is reported, has found in plants a striking similarity to the intelligence of human beings. "His tests," the article says, "have centered upon one problem--the mysterious ability of plants to turn their leaves and stems toward the light. After two years of study, he concludes that every plant behaves as though it had a more or less localized region, a sort of 'brain,' that acts directly to the stimulation of light...."

Section 3 MARKET QUOTATIONS

Farm Products

June 3.--Grain: No.1 dark northern spring wheat* Minneapolis 61 3/4 to 62 3/4¢; No.1 Northern spring* Minneapolis 61 3/4 to 62 3/4¢; No.1 hard winter* Kansas City 51 1/2 to 52 1/2¢; No.2 hard winter* Kansas City 51 to 52 1/4¢; St. Louis 55 1/2¢ (Nom.); No.1 S.R. Winter St. Louis 55 to 55 1/2¢ (Nom.); No.2 S.R. Winter Kansas City 50 3/4¢; Chicago 55¢; St. Louis 54 1/2 to 55¢; No.1 W. Wh. Portland 54¢; No.2 Am. Dur.* Minneapolis 50 1/2 to 54 1/2¢; No.1 Durum (Duluth) 53 1/2 to 55 1/2¢; No.2 rye Minneapolis 32 1/2 to 34 1/2¢; No.2 mixed corn Kansas City 29 to 30 1/2¢; Chicago 30 1/2¢; St. Louis 30¢; No.2 white corn Kansas City 29 to 30 1/2¢; No.2 yellow corn Kansas City 33 to 34¢; Chicago 30 3/4 to 31¢; St. Louis 31¢; No.3 yellow corn Minneapolis 28 1/2 to 29 1/2¢; Kansas City 31 1/2 to 33¢; Chicago 30¢; St. Louis 30¢ (Nom.); No.2 white oats Chicago 23 to 23 1/2¢; St. Louis 22 1/2¢; No.3 white oats Minneapolis 21 to 22 1/2¢; Kansas City 21 1/2 to 24¢; Chicago 21 3/4 to 22 3/4¢; St. Louis 22¢ (Nom.); Special No.2 barley Minneapolis 44 to 45¢; Chicago 38 to 46¢; No.1 flaxseed Minneapolis \$1.11 1/2 to \$1.14 1/2.

Livestock: Slaughter cattle, calves and vealers, steers: (1100-1500 lbs.) good and choice \$6.50 to \$7.75; cows, good and choice \$3.50 to \$4.75; heifers (550-850 lbs.) good and choice \$5.25 to \$6.50; vealers, good and choice \$5.50 to \$6.50; feeder and stocker cattle, steers, good and choice \$4.75 to \$6; heavy weight hogs (250-350 lbs.) good and choice \$3 to \$3.35; light lights (140-160 lbs.) good and choice \$3.10 to \$3.40; slaughter pigs (100-130 lbs.) good and choice \$2.75 to \$3.15 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$6 to \$7.

North Carolina Cobbler potatoes brought \$3.50-\$4.50 per stave barrel in eastern cities; mostly \$3 f.o.b. Washington. Alabama and Louisiana sacked Bliss Triumphs \$1.50-\$1.75 per 100 pounds carlot sales in Chicago; \$1.15-\$1.25 f.o.b. Mobile. Maine sacked Green Mountains 65¢-\$1.05 in the East and Wisconsin Round Whites 90¢-\$1 carlot sales in Chicago. California Salmon Tint

*Prices basis ordinary protein.

cantaloupes \$2.75-\$3.50 per standard crate of 45 melons in consuming centers; \$1.50-\$1.60 f.o.b. Brawley. Texas Yellow Bermudas, U.S. Commercial 75¢-\$1 per 50-pound sack in city markets; 40¢ f.o.b. Coastal Bend Section. Eastern various varieties of strawberries \$2.50-\$3.50 per 32-quart crate in a few cities; \$1.50-\$2.50 f.o.b. Pocomoke City.

Average price of Middling spot cotton in eight of ten designated markets (holiday in two markets) declined 11 points to 4.87¢ per lb. On the corresponding date one year ago the price of seven markets stood at 7.86¢. July future contracts on the New York Cotton Exchange declined 12 points to 5.10¢. Holiday in New Orleans.

Wholesale prices of fresh creamery butter at New York were: 92 score, 17 $\frac{1}{2}$ ¢; 91 score, 17¢; 90 score, 16 $\frac{1}{2}$ ¢.

Wholesale prices of No. 1 fresh American cheese at New York were: Flats, 10 $\frac{1}{2}$ ¢ to 13¢; Single Daisies, 11 $\frac{1}{2}$ ¢ to 12¢; Young Americas, 11 $\frac{1}{2}$ ¢ to 12 $\frac{1}{4}$ ¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 15 to 17 $\frac{3}{4}$ ¢; Standards, 14 $\frac{1}{2}$ ¢; Rehandled Receipts, 13 $\frac{1}{4}$ to 13 $\frac{3}{4}$ ¢.
(Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLV, No. 57

Section 1

June 7, 1932.

PRESIDENT SIGNS TAX BILL

The new tax bill designed to produce \$1,118,500,000 in additional revenue for the fiscal year 1933 became law yesterday afternoon with the signature of President Hoover, according to the press today.

FEDERAL SALARY BILL

The press today says: "The thirty-day furlough plan for Federal employees advocated by President Hoover came into direct conflict yesterday with the flat 10 per cent salary reduction voted by the Senate Saturday, when Senator Moses introduced it as a substitute for the adopted measure. Senator Moses accepted as an amendment to his substitute a proposal by Senator Vandenberg imposing reductions on a graduated scale upon salaries above \$3,000, in addition to the furlough, making total reductions in Federal salaries in the higher brackets of as much as 16.3 per cent....

"Meantime, the House passed the Hill bill, limiting compensation of retired officers to \$3,000, with proviso that retired pay in addition to private compensation, not exceed \$3,000 when combined...."

RELIEF LEGIS- LATION

The press today says: "Under one of the most rigid rules ever accompanying a major bill in the House, Speaker Garner's \$2,290,000,000 relief bill will be presented today at noon and its fate will be known in the next few hours. At the same time, it was indicated last night, the Senate will vote on the Wagner relief measure, which yesterday was modified to conform largely to President Hoover's program by reducing the amount for State loans from \$375,000,000 to \$300,000,000...."

DAWES RESIGNS FINANCE POST

Expressing confidence that the times have turned toward prosperity, Charles G. Dawes yesterday resigned as president of the Reconstruction Finance Corporation to go back to his Chicago bank, according to the press today.

ARMOUR REDUCES WAGES

A Chicago dispatch today states that a second reduction of 10 per cent in wages of Armour & Co. employees was announced yesterday, effective June 11. Salaries of the packing company have been trimmed twice and wages once previously, according to the

report.

BRITAIN AND ITALY SIGN PACT

Great Britain and Italy on Saturday signed the formal agreement postponing international debts for one year from last July 1 under the moratorium proposed by President Hoover, according to the press of June 6.

Section 2

Business Conditions The Business Week for June 8 says: "The general level of production and trade, such as it is, has not shown any marked change in the past three months, after allowing for usual seasonal factors....A similar stability during the spring period was evident in the two preceding years; but business was then at a much higher level, and the possibilities of further decline from the present position would seem to be considerably smaller...Commodity prices are still falling, but more slowly and with some scattered signs of stabilization in specific instances...Security markets, still ruled by panic psychology, have not yet reflected these symptoms, but they rarely do promptly....Financial sentiment has been somewhat steadied by speedier congressional action on fiscal issues, but is nervous about prospective European political developments....Although Federal Reserve efforts to stimulate speedy credit expansion have been ineffective and are marking time, improvement in the banking position continues steadily as short-term funds pile up in money centers pending return of investment confidence....No one can say what additional jolts to business and financial sentiment the merry month of June may hold in store at home or overseas, but the jittering capacity of the public would seem to be approaching exhaustion...."

Chile's New Head An editorial in The Washington News for June 6 says: "Any revolution led by Carlos G. Davila is apt to amount to something. Davila is not only the outstanding personality of Chile; he would be a leader in any country. When he was in the United States as Chilean Ambassador, he earned a reputation of knowing more about American business conditions than most American bankers and economists. He is a politician of the post-war school that puts economies above political dogmas....Of course he did not cause the revolution in any basic sense. Terrible economic conditions were the cause. But Davila apparently disciplined, led and timed the revolutionary elements. At this distance and this early it would be futile to attempt to measure the effects of the Davila revolt. Perhaps even he does not know how far he wants to go in revolution. Like other leaders of revolt, he not only leads but is led by his revolutionary army. News dispatches describing the Davila dictatorship as socialistic may easily be misunderstood. Certainly Davila has as little kinship with the American Norman Thomas as with the Russian Stalin. His platform includes the familiar revolutionary slogans. But that is the way Mussolini and Hitler started. Probably a cross between state Socialism and Fascism would be a more accurate description of what Davila is driving at than Socialism. But whatever he is driving at is important to the United States. For us Chile is the key country of South America. She holds vast American investments. She is the only naval power in the South Pacific. What Chile does one day other large South American countries may do the next."

Dietary Surveys The Lancet (London) for May 21 says: "The direct experimental method has recently been applied with good effect to the science of nutrition, animals and less frequently groups

of human subjects being employed to test the effect of variable dietetic factors on development and liability to disease. But another method of investigation is sometimes employed, consisting of a careful survey of the food actually consumed by selected groups of individuals over a definite period. If the subjects of such surveys are apparently normal healthy individuals it is assumed that the diets observed are more or less adequate. ...Cathcart and his co-workers have been engaged in a series of surveys of this type, and have just published the results of their inquiry into the diet of families in Cardiff (Wales) and Reading (England). The inquiry was limited to working-class families, and comprised a total of about 370 individuals in each town. As in their previous study, carried out at St. Andrews (Scotland), they found the average daily caloric value of the diets ranged fairly close to the accepted figure of 3,000, and the amount of fat consumed was in both instances distinctly higher than the generally accepted average--namely, 113.6 g. in Cardiff and 100.8 g. in Reading. Special interest is attached to the analysis of the poorest diets. The mean value in 8 families in Cardiff and 12 in Reading was less than 2,500 calories, and in three instances was less than 1,800. It was found that this shortage of food was not occasioned solely by the smallness of the income, but arose partly through the improvidence or incapacity of one or the other parent. It appears that with very restricted incomes a distinctly smaller proportion of the weekly wages is devoted to the buying of food in these English towns than in Scottish towns, which fact is largely accounted for by the higher rents paid in the English towns. Special attention was devoted to the physique of the children belonging to the families under observation. It did not appear that any serious degree of malnutrition existed among them, although the numbers examined were too few for any decided opinion to be formed on this point. The practical use to which dietary surveys can be put is illustrated by a circular recently issued by the United States Department of Agriculture regarding midday meals for pre-school-children. (Figures are here given from D. of A. Circular, No. 203, by M.E. Sweeny and C. Chatfield.) These figures are certainly very much higher than some recently quoted in the report of the Advisory Committee on Nutrition, as representing the actual expenditure on children's food allowed by certain of the public authorities in Great Britain. From a qualitative point of view the recommendations of this committee agree well with those of the compilers of the American report."

Fads in
Science

An editorial in The Journal of the American Medical Association for June 4 says: "In his address as retiring president of the Botanical Society of Washington, D.C., Dr. Neil E. Stevens (Senior Pathologist, in charge Plant Disease Survey, Bureau of Plant Industry) recently discussed fads as a factor in botanical publications. The Journal has repeatedly emphasized the manner in which a new note struck in the medical field becomes a stimulus to the publication of vast numbers of articles

along that line....Every one knows that medicine has passed through epochs of major interest in physiology, in the pathology of the cell, in bacteriologic investigation, in biochemistry, in hydrogen ion concentration, and at the present moment in colloids and in allergy. Associated with the development of any such major interest comes a new vocabulary in which words are developed and frequently used even by men of science almost as magical symbols rather than as scientific terms. The analysis by Dr. Stevens of the fads in the field of botany has many analogies in medical thought. He refers, for instance, to the keywords of 1906 and 1908, such as 'physiologically balanced solutions' and 'antagonism.' In botany also the hydrogen ion concentration has been having its day. 'Just as a man in good general health who consulted a physician between 1910 and 1920 was predestined to be diagnosed as having appendicitis,' says Dr. Stevens, 'so a plant which showed any unusual abnormality between 1915 and 1925 was sure to be under suspicion of having some mosaic disease.' Fashions have their advantages exactly as they have their disadvantages....Out of each of the fads that is developed there remains some residue of actual knowledge and progress for mankind without which, no doubt, progress would stop...."

Horses in An editorial in The Daily Pantagraph (Bloomington, Ill.)
Rural for May 25 says: "As one of the peculiar results of the unusual
Districts economic conditions in rural districts, it is reported on good
authority that what seems to be a real revival of the draft horse
business is noted this spring in the Middle West. Several straws
point the direction of the wind in this matter. In a recent survey
made by Wayne Dinsmore, secretary of the Horse Association
of America, he reported that he found 18 horses to every tractor
at work in the fields. Even some farmers who own tractors, he
said, are not using them owing to lack of money to buy fuel and
pay for repairs. Home-grown feed on the farms furnishes the sustenance
for the horses where the farmer can get them. Another
fact which is in confirmation of the trend to horses on the farm,
was the report that horses are selling at higher prices this
spring than other livestock in the farm sales. Further, it is
reported that manufacturers of supplies for horses, such as harness,
collars, hames and halters, have experienced an unexpected boom
in the demand for these commodities. Some of the blacksmiths in
villages who had given up hope of further work in their former line,
and were getting ready to transform their blacksmith shops to garages,
are now finding many orders for work on harness and farm machinery
requiring horse power. It is not to be expected that horses are ever
again going to supplant tractors in farm work, but there is an economic
balance between horse power and machinery on the farm, and careful
farmers are beginning to find the point at which each kind of power
can be most profitably used."

Section 3

Department of
Agriculture

Ruth Atwater, director of home economics for the National Cannery Association, writing on canned food products in Journal of Home Economics for June, says: "...Because the food and drugs act is a criminal law, objective tests have been prepared for use in judging quality that can be demonstrated at any time, in any court of law, without the personal opinions of the parties involved entering into the discussion. A device for measuring the toughness of peas, another device for determining the toughness of pears and peaches, color tests to determine the quality of tomatoes and other exact tests have been developed by the Government officials in connection with the new standards. Standards of quality for other products will be developed by the scientific staff of the Department of Agriculture as rapidly as funds available for this purpose make it possible. Scientific research has given us fresh, clean, properly prepared foods, sterilized by heat in hermetically sealed containers. Research has shown conclusively that commercially canned foods have the same food value as similar foods prepared in the home kitchen, with the possibility of added energy value due to the presence of sugar sirups in many canned fruits and a few canned vegetables. The combination of scientifically prepared foods and informative labeling will be helpful to every consumer, for canned foods are easy to buy, easy to use, and are found in a price range suited to all income levels...."

Section 4

MARKET QUOTATIONS

Farm
Products

June 6.--Grain: No.1 dark northern spring* Minneapolis 59 to 60¢; No.1 northern spring* Minneapolis 59 to 60¢; No.1 hard winter Kansas City 46 1/4 to 47 1/2¢; No.2 hard winter* Kansas City 46 to 47¢; St. Louis 52 1/2¢; No.1 S.R. Winter St. Louis 51 1/2¢ (Nom.); No.2 S.R. Winter Kansas City 45 1/2 to 49¢ (Nom.); Chicago 53¢; St. Louis 50 1/2¢; No.1 W. Wh. Portland 51¢; No.2 Am. Dur.* Minneapolis 48 1/2 to 52 1/2¢; No.1 Durum (Duluth) 51 1/2 to 53 1/2¢; No.2 rye Minneapolis 30 3/4 to 32 3/4¢; No.2 mixed corn Kansas City 28 1/2 to 29 1/2¢; Chicago 29 1/4 to 29 3/4¢; St. Louis 29 1/2¢ (Nom.); No.2 white corn Kansas City 27 1/2 to 29 1/2¢; St. Louis 31¢; No.2 yellow corn Kansas City 32 1/2 to 33 1/2¢; Chicago 29 1/2 to 30¢; St. Louis 30 1/4¢; No.3 yellow corn Minneapolis 29 1/2 to 30 1/2¢; Kansas City 31 1/2 to 32 1/2¢; Chicago 29 1/4 to 29 1/2¢; St. Louis 30¢; No.2 white oats Chicago 21 1/4 to 21 3/4¢; St. Louis 22¢; No.3 white oats Minneapolis 18 7/8 to 20 3/8¢; Kansas City 20 to 22¢; Chicago 20 to 21 1/4¢; St. Louis 21 1/2¢; Special No.2 barley Minneapolis 41 to 42¢; Chicago 38 to 45¢; No.1 flaxseed Minneapolis \$1.04 to \$1.07.

*Prices basis ordinary protein.

Livestock at Chicago: Slaughter cattle, calves and vealers; steers (1100-1500 lbs.) good and choice \$6.50 to \$7.75; cows, good and choice \$3.50 to \$4.75; heifers (550-850 lbs.) good and choice \$5.50 to \$6.75; vealers, good and choice \$5.50 to \$6.50; feeder and stocker cattle, steers, good and choice \$3.75 to \$6; heavy weight hogs (250-350 lbs.) good and choice \$3.10 to \$3.40; light lights (140-160 lbs.) good and choice \$3.15 to \$3.50; slaughter pigs (100-130 lbs.) good and choice \$2.85 to \$3.25 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$6.50 to \$7.50.

North Carolina Cobbler potatoes \$2.75-\$3.75 per stave barrel in eastern cities; \$2.50 f.o.b. Washington. Alabama and Louisiana sacked Bliss Triumphs \$1.15-\$1.35 per 100 pounds carlot sales in Chicago; 90¢-\$1 f.o.b. Mobile. Maine sacked Green Mountains 70¢-\$1.10 in the East. Wisconsin sacked Round Whites few 90¢ carlot sales in Chicago. Texas Yellow Bermuda onions, U.S. Commercials, 75¢-\$1 per 50-pound sacks in consuming centers; few 40¢ f.o.b. Coastal Bend Section. Delaware and Maryland various varieties of strawberries \$1.50-\$3 per 32-quart crate in the East; \$1.50-\$3.15 f.o.b. Pocomoke City. California Salmon Tint cantaloupes \$2.75-\$3.25 per standard crate of 45 melons in terminal markets; \$1.10-\$1.25 f.o.b. Brawley. Florida Tom Watson watermelons, 4 layers, 28-30 pounds average, \$600-\$650 bulk per car in New York City; 24-30 pounds, \$250-\$375 f.o.b. Leesburg.

Average price of Middling spot cotton in the ten designated markets declined 18 points to 4.92¢ per lb. On the corresponding day one year ago the price stood at 7.83¢. July future contracts on the New York Cotton Exchange declined 18 points to 5.12¢, and on the New Orleans Cotton Exchange declined 19 points to 5.11¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLV, No. 58

Section 1

June 8, 1932.

THE ECONOMY PROGRAM

The press today says: "The Senate yesterday refused to effect economies at the expense of World War veterans when it followed the example of the House in voting, 63 to 14, to eliminate seven items in the economy bill, which would have reduced veterans expenditures by \$48,714,000. By this gesture, the Senate reduced its economy program, already cut from \$238,000,000 to \$234,000,000 by a modification of a 10 per cent Federal salary slash provision, to about \$186,000,000.

"When the Senate adjourned late yesterday evening, there was a distinct possibility that the bill may be reduced today by as much as \$35,000,000 through the substitution of the President's thirty-day furlough plan for the salary slashes. Earlier in the day the Senate had defeated, 41 to 36, a motion by Senator Moses to substitute the furlough for the pay-cut plan. As a result of this vote, Senator Logan last evening withdrew a motion to reconsider the pay-cut decision. Immediately after Senator Logan withdrew his motion, Senator Glass entered one to reconsider with a view to having the whole matter submitted to a commission to report next January. On the heels of Senator Glass's motion, Senator La Follette announced that he would move reconsideration of the Moses substitute today...."

HOUSE PASSES GARNER RELIEF BILL

The House yesterday passed the Garner relief bill, carrying a total of \$2,290,000,000, by a vote of 216 to 182. The bill will be sent to the Senate today. (Press, June 8.)

NEW TAX RULES

The press today says: "Officials of the Treasury Department yesterday began drawing up regulations for administration of the new \$1,118,500,000 tax bill, which became a law on Monday with the signature of President Hoover. Although the experts were working at top speed, since some of the levies became effective immediately and the bulk of the others will be in force on June 21, they expected that at least a week would be required to draft the rules. They planned to make them public immediately upon completion in order that taxpayers might have a clear understanding of revenue demands upon them. The new income and estate tax rates became effective Monday with the signing of the bill. The levy on income will be calculated as from last January 1, being drawn to cover the calendar year, while the additional estate tax applies to estates of persons dying after enactment of the bill. The gift tax became effective yesterday, the law specifying that the levy should not apply to transfers made on or before the date of enactment...."

CANADA LIFTS PRODUCE BAN

.... An Ottawa dispatch June 7 states that removal of the restriction on the importation of garden produce, including vegetables, from California, Oregon, Nevada and Arizona was announced by the Ottawa Department of Agriculture June 6. Shipments of garden produce from the four States must be accompanied by a certificate to the effect that the produce was grown outside of the infected areas.

Section 2

Butter Market Expansion An editorial in The Farmer and Farm, Stock & Home for May 28 says: "Only a few weeks ago we called attention to the 'all butter bread' campaign inaugurated by Howard Sanborn of Rochester, Minnesota. This plan to use sweet cream butter as a substitute for other shortening in the making of bread was immediately accepted by other bakers and by the public. Eighty-five per cent of the bakery output in Minnesota now furnishes a new market for quality butter. The movement has spread to Iowa, Wisconsin, South Dakota and other States, indicating a nationwide interest in the plan. A summary of the results of this campaign, first announced in this publication, will be given at a later date. The 'All Butter Bread' idea has proven one practical way of both expanding the market for dairy products and giving the customer a quality loaf of bread."

Japanese Conditions Hugh Byas, writing from Tokyo to The New York Times of June 7, says: "Poverty unparalleled in the history of modern Japan is described in the preliminary reports of four officials of the Department of Agriculture who are now investigating conditions among farmers in Nagano, Iwate, Niigata and Hyogo Prefectures, following an order of the Minister of Agriculture to prepare plans for immediate relief. The villagers are almost without money, trade being conducted largely by barter, according to the investigators' reports as given in the press. The people are reduced to eating the rough grain usually reserved for chicken feed and are cooking up and eating the dried fish used for fertilizer and beancake customarily fed to cattle...."

Lippmann on Conditions Walter Lippmann, in a recent address before the National Conference of Social Work, said: "It seems probable--indeed, I think we may say it is certain--that as it took several centuries to solve the problem of scarcity so it will take long generations to solve what we may call the problem of the management of plenty. The solution of that problem depends upon changes in human motives as great as those which distinguish a feudal peasant from the modern business man....We are not, however, able to wait until human motives have been transformed. The pressure of events compels us to make experiments in the management of human affairs, for which in fact we lack adequate human material. We do not have the wisdom and disinterestedness to manage with any assurance the volume of credit which determines the rhythm of economic enterprise. We do not have the wisdom and disinterestedness to make the world secure against war. We do not have the wisdom and disinterestedness to plan and arrange the growth of our cities or the future of agriculture or the balance between agriculture and industry. Nevertheless we have to attempt all these things, and many more besides, for which we are unprepared and inadequate....We have to attempt the management of it, though we know so little how to manage it. We have to learn by trial and error, since the whole truth is not revealed to us and we can not spin it a priori out of our minds. Therefore, the Ages of Discovery are not over."

We are entering a new one in which the problems are as fascinating and the issues as momentous as any with which man has dealt...."

New York An Albany dispatch June 7 states that Governor Roosevelt
Farm Aid formally put into effect June 6 his plan to take care of un-
to Unem- employed by transferring them from the cities to farms. In a
ployed statement to the public, he appealed to the unemployed to notify
the State Temporary Emergency Relief Administration if they de-
sired this form of relief. The report says: "The Governor, soon
after his return from a vacation in Georgia, advanced his plans
to have the State use abandoned farms to put its unemployed to
work caring for themselves....The plan, the Governor said, was
not a 'back to the farm' program, but merely a temporary measure
to lessen the cost to cities of unemployment relief. He said
that it also gave the workers a chance to be partially self-
sustaining...."

Rubber Nature (London) for May 7 says: "The twelfth annual
Manufac- report of the Research Association of the British Rubber Man-
ture Re- ufacturers, presented at the annual meeting of the Association
search on Feb. 2, gives not only a succinct account of its varied ac-
tivities but also a striking picture of the extent to which
scientific research is serving the intellectual, technical, and
material development of the rubber industry....Cooperation with
the Rubber Growers' Association has also been established, not
only in publicity work on behalf of the industry, but also in
the investigation of difficulties holding up the utilization of
rubber for various purposes, and the study of promising poten-
tial applications. Among such problems may be mentioned the
utilization of latex-oil emulsions as lubricants, the acoustic
properties of rubber flooring for cinemas, the increasing of
the resistance of rubber to oils, while such questions as the
destruction of rubber by white ants, rubber goods for tropical
railways, resistance of colored rubber paving to light and
weather, have been the subject of joint discussion. Cooperation
in the study of problems confronting the utilization of rubber
has, however, by no means been confined to the Rubber Growers'
Association. Investigations on ebonite have been carried on
jointly with the British Electrical and Allied Industries Re-
search Association, in which the Ceylon rubber research scheme
and representatives of Government departments have participated.
The War Office, India Office, Air Ministry, and Post Office are
all represented on the Association's Tyre Research Committee,
and cooperation with the motor industry and the British Boot and
Shoe and Allied Trades Research Association on problems relating
to the manufacture and utilization of rubber will undoubtedly
develop...."

Rural An editorial in The Nebraska Farmer for May 14 says:
Youth "In this issue we present the names of boys and girls whose suc-
cessful efforts in Four-H club work and vocational agriculture
entitled them to recognition and reward for their services. It
has been our pleasure for a number of years to offer free trips
to the annual Club Week in Lincoln to champions in county calf
club projects. Fifteen boys and girls will attend Club Week

this June as guests of The Nebraska Farmer. We are offering the same number of prizes for the following year. For the past two years The Nebraska Farmer has awarded State Farmer keys to members of the Future Farmers organization for meritorious work. Twenty-four boys received the keys this year at the annual meeting of the organization held at North Platte recently. Our congratulations are extended to both groups for the progress they have made and the honor that comes to them as a result. We look upon these projects dealing with the education of rural youth as a very desirable development that will favorably influence the future of agriculture. Give our boys and girls the right sort of practical training and they will be able to look out for themselves in the future. Already, among the boys and girls who have graduated from the ranks of these organizations into practical farming and home building, there is plenty of evidence of the value of this early training."

Wool

Marketing are ahead \$252,215 as a result of selling cooperatively their Corpora- 1931 clip through the National Wool Marketing Corporation instead of selling it individually to private local dealers, according to recent reports made by the National and its stockholder members to the Federal Farm Board, according to a statement by the board June 3. These growers delivered a total of 11,139,490 pounds of wool, averaging about 391 pounds per clip, last year to their 11 state and regional associations that are members of the National with headquarters at Boston, Mass. They received from a fraction of 1 cent to nearly 4½ cents a pound more than private local buyers were offering. Farmers who received these additional returns on wool, handled by their own central merchandising agency, live in New York, Indiana, Illinois, Iowa, Wisconsin, Minnesota, Michigan, North Dakota, Kentucky, Kansas, Nebraska, Oklahoma, Arkansas, Missouri, Maryland, Virginia, Tennessee, North Carolina, South Carolina, Georgia, Alabama and Mississippi. If the other growers in these 22 States had sold their wool through the National Wool Marketing Corporation instead of to private local dealers it is estimated they would have been ahead \$1,302,461. The National handled 116,000,000 pounds of wool and mohair during the 1931 marketing season. Wisconsin farmers who delivered their 1931 clip to the National through the Wisconsin Cooperative Wool Growers Association at Portage, Wis., were paid an average of 1½ cents a pound more than private dealers were offering. The growers' clips averaged 391 pounds. These growers received an average of about \$5.86 per clip more than they would have been paid for their wool if they had sold it to local buyers.

Section 3

Department of Agri- culture

An editorial in California Cultivator for May 28 says: "At this time it appears that the flare-up of foot and mouth disease in Southern California has been completely eradicated and in record time. As soon as the trouble was diagnosed on a hog ranch in Orange County the United States Department of Agriculture, State department of agriculture and county forces were

hurried to the scene to apply modern methods of eradication which have been found effective in previous outbreaks. Because of other breaks in 1924 and 1929, many trained experts are available and this adds greatly to the efficiency of control measures....So far the origin of the infection has not been found, but it is pretty certain that at least one of the later breaks came from human carriers....Great credit must be accorded to everyone connected with this break, but particularly to Dr. Rudolph Snyder in charge for the Federal forces; Dr. J.J.King for the State department, and Dr. L.M.Hurt, livestock inspector of Los Angeles County."

Section 4 MARKET QUOTATIONS

Farm Products

June 7.—Livestock: Slaughter cattle, calves and vealers; steers (1100-1500 lbs.) good and choice \$7 to \$7.75; cows, good and choice \$3.50 to \$5; heifers (550-850 lbs.) good and choice \$5.75 to \$6.75; vealers, good and choice \$6 to \$7; feeder and stocker cattle, steers, good and choice \$3.75 to \$6; heavy weight hogs (250-350 lbs.) good and choice \$3.10 to \$3.40; light lights (140-160 lbs.) good and choice \$3.15 to \$3.50; slaughter pigs (100-130 lbs.) good and choice \$2.85 to \$3.15 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs, lambs, good and choice (90 lbs. down) \$6.75 to \$7.75.

Grain: No.1 dark northern spring* Minneapolis 58 7/8 to 59 7/8¢; No.1 northern spring* Minneapolis 58 7/8 to 59 7/8¢; No.1 hard winter* Kansas City 46 1/4 to 47 1/2¢; No.2 hard winter* Kansas City 46 to 47¢; St. Louis 51 1/2¢ (Nom.); No.1 S.R. Winter St. Louis 50 1/2¢ (Nom.); No.2 S.R. Winter Kansas City 45 1/4 to 48 1/2¢; Chicago 53¢; St. Louis 50¢ (Nom.); No.1 W.Wh. Portland 50 1/2¢; No.2 Am. Dur.* Minneapolis 47 1/4 to 51 1/4¢; No.1 Durum (Duluth) 50 1/4 to 52 1/4¢; No.2 rye Minneapolis 31 1/8 to 33 1/8¢; No.2 mixed corn Kansas City 28 1/2 to 29 1/2¢; Chicago 29 3/4¢; St. Louis 30 1/4¢; No.2 white corn Kansas City 28 1/2 to 29 1/2¢; No.2 yellow corn Kansas City 32 1/2 to 33 1/2¢; Chicago 30 to 30 1/4¢; St. Louis 31¢; No.3 yellow corn Minneapolis 31 to 32¢; Kansas City 31 1/2 to 32 1/2¢; Chicago 29 to 30¢; St. Louis 30¢.

North Carolina Cobbler potatoes closed at \$2.75-\$3.75 per stave barrel in eastern cities; \$2.40-\$2.50 f.o.b. Washington. Alabama and Louisiana sacked Bliss Triumphs \$1.20-\$1.40 per 100 pounds carlot sales in Chicago; 80¢-90¢ f.o.b. Mobile. Maine sacked Green Mountains 70¢-\$1.10 in the East and Wisconsin sacked Round Whites 90¢-\$1 carlot sales in Chicago. California Salmon Tint cantaloupes \$2.50-\$3.25 per standard 45s in consuming centers; \$1.10-\$1.15 f.o.b. Brawley. Delaware and Maryland various varieties of strawberries \$1.25-\$2.50 per 32-quart crate

*Prices basis ordinary protein.

in eastern cities; \$1.35-\$1.75 f.o.b. Pocomoke and 75¢-\$1.25 f.o.b. Bridgeville, Delaware. Florida Tom Watson watermelons, 24-30 pounds average, \$395-\$695 bulk per car in New York City; \$250-\$350 f.o.b. Leesburg. Texas Yellow Bermuda onions, U.S. Commercial, 65¢-\$1 per 50-pound sacks in city markets. California stock 80¢-90¢ in the East.

Average price of Middling spot cotton in the ten designated markets advanced 2 points to 4.94¢ per lb. On the corresponding day one year ago the price stood at 7.62¢. July future contracts on the New York Cotton Exchange advanced 2 points to 5.14¢, and on the New Orleans Cotton Exchange advanced 3 points to 5.14¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 18¢; 91 score, 17½¢; 90 score, 17¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 10 to 12½¢; Single Daisies, 11 to 11½¢; Young Americas, 11 to 11½¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 16½ to 19¢; Rehandled Receipts, 13¾ to 14¢; Standards, 15½ to 16¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLV, No. 59

Section 1

June 9, 1932.

SENATE PASSES FURLOUGH PLAN

The press today reports: "President Hoover's payless furlough plan for Federal employees was substituted for the 10 per cent salary slash provision in the economy bill shortly before the measure was passed in the Senate last night. The bill, which is expected to result in savings amounting to approximately \$150,000,000, now goes to conference.

"As adopted yesterday, the Moses amendment provides for a 10 per cent reduction in the salaries of Senators and Representatives and a flat 8.3 per cent cut in the pay of all employees, including those at the Capitol, to whom the furlough plan can not be applied. It exempts employees receiving \$1,200 or less from any loss of time or pay and also exempts members of the Washington police and fire departments, as well as rural mail carriers and the enlisted personnel of the Army, Navy, Marine Corps and Coast Guard. The Moses amendment also established the five-day week and, as amended by Senator La Follette, provides that no employee shall be furloughed for more than five days in any calendar month without his or her consent.

"Adoption of the Moses amendment for a compulsory furlough of 24 working days during the fiscal year beginning July 1, automatically nullified the provisions in the bill which would have reduced annual leave to 15 days permanently.... The House rejected the furlough plan several weeks ago by the narrow margin of 17 votes, the roll call showing 159 for and 176 against, and it was predicted last night the conferees would agree to leave it in the bill...."

NEW RELIEF BILL REPORTED

The Senate banking committee yesterday favorably reported the \$2,000,000,000 Wagner unemployment relief bill, according to the press today.

GRAIN TRADE MEETING

The Associated Press today reports: "Each charging the other with trying to put it 'out of business,' the Chicago Board of Trade and the Farmers National Grain Corporation stood with horns locked last night as a Federal commission prepared to hear the argument of counsel in the cooperative's fight to retain clearing house privileges. Further testimony on the grain corporation's financial condition will be submitted this morning, although Arthur F. Lindley, president of the board's clearing house, declared that question was not considered in denying membership to the Farmers National. Lindley sought to absolve the board of responsibility by testifying that the directors of the clearing corporation had on their own authority unanimously voted in a twenty-minute session to deny the cooperative clearing privileges. The decision, he said, was based entirely on amended rules of the clearing house, which since 1929 have denied membership to corporations. The Farmers National still is represented on the board of trade by J. M. Chilton and George S. Milnor, its general manager. Counsel insisted that by virtue of membership by two executives the cooperative is entitled to all the rights and privileges of the board regardless of the clearing house rule against corporations."

Section 2

Billboard An editorial in The Michigan Farmer for May 28 says:
Taxation "Why not tax billboards? Their value lies in their being seen, and the State has been to great expense to build and maintain public roads,--the open amphitheater that billboard companies have capitalized. Usually the more expensive the road the greater is the advertising value of these wayside structures. The public has a further claim on these billboards in that they obstruct views. Occasionally traffic hazards are created thereby, while thousands of beautiful landscapes are obliterated. So, we repeat, why not tax these ever present, ugly billboards?"

California An editorial in The Oregon Farmer for May 27 says:
Market "The southern California metropolitan area imported in 1931
for from other States 12,488 head of dairy cattle, according to the
Cattle annual report of Dr. L. M. Hurt, county livestock inspector of
Los Angeles. Utah led with 4,830. Idaho came next with 2,879. Oregon furnished 633 and Washington, 376. Dairy stock producers of the Pacific Northwest may be reasonably assured of the California market, as the north country can put vigorous constitution into dairy cattle. This vigorous constitution is especially demanded to withstand for a lengthened period the enervating climate and the hard milking service of southern California areas. Even if Los Angeles area may be oversupplied now and then with dairy cattle, the milk men of that section will pick for the best all-around cows."

Canadian An editorial in The Country Guide (Winnipeg) for June
Radio says: "The Canadian Parliament has accepted practically unani-
Policy mously the report of the radio committee, and radio broadcast-
ing in Canada is about to become a monopoly under the direction of the Dominion Government. It will require some time to complete the program of development and provide an adequate system to serve residents in every section. However, the policy has been decided upon, the legislation has been enacted and Canada should in the near future have radio service equaling the best. Fortunately arrangements have been made with the United States Government to release sufficient wave lengths to Canada to provide everything for a truly adequate national service. When the new system is fully in operation not only should every resident of Canada be within reach of a broadcasting station, but the average quality of the programs, both local and national, should be considerably higher than those to which we have been accustomed....We have had sufficient experience with radio on this continent to know that it is a truly powerful agency for the dissemination of news, views, entertainment, inspiration and information. Under national control directed by a competent commission its usefulness in the years to come should be comparable with that other government monopoly, the postal service."

Chinese An author, writing under the initials of ".C.H.L.," in
Unemploy- The People's Tribune of Shanghai, of date, April 18, says:
ment "Although unemployment is a much-talked-about subject in China,

our real issue is not, so much technical unemployment as under-employment. Statistics are lacking to show the extent of unemployed in China, but because of the backwardness in our economic development, natural disasters and civil war, the unemployment situation must be quite serious. It has been said that the total number of unemployed in the West today is 17,000,000, but China alone has 168,000,000 people without work according to estimates made by an author, Lu Chou-Su. This is 38% of our total population. Again, according to Prof. Leonard Hsu's estimate only 23 to 33% of the people in China are now in employment. The seriousness of our unemployment situation can be illustrated by the following data: in 1928 when the Ministry of Railways in Nanking offered ten clerkships over 1,500 people applied for them; for the twenty vacancies in the Shanghai Customs Administration in the same year 780 people applied; and for the 50 vacancies in the Post Office in Shanghai two years ago over 3,000 people applied. The scourge of unemployment is therefore spreading not only among the laboring class but also among the educated. To rectify this situation, it is necessary to immediately carry out the following steps: 1. peaceful unification, 2. investigation of the causes and extent of unemployment, 3. establishment of labor exchanges and employment bureaus, 4. restriction of the growth of undesirable elements, 5. development of vocational education, and 6. carrying out Dr. Sun Yat-Sen's plan of building 100,000 miles of railways in China, which will be able to maintain the living of about 120,000,000 people."

Costs of
Production

An editorial in The Weekly Kansas City Star for June 1 says: "Among the many arguments for farm legislation is one that farmers are entitled to cost of production. This is true provided the basis of determining production costs has been carefully worked out. Several years ago a committee supposed to represent agriculture indicated that the cost of producing wheat was \$2.60 a bushel, a bushel of corn \$1.40 and other products at comparative prices. Such figures were not only absurd but destroyed confidence in other statements that emanated from that particular group of farm leaders who were supposed to be representing agriculture. Costs of production, to have any value, must be based upon efficient use of land, labor and machinery. The man who is able to produce only ten bushels of wheat, fifteen bushels of corn or one-third bale of cotton per acre through a series of years, although using the best methods of production, is not entitled to cost of production. He should either abandon such areas for crop growing purposes or devote them to something for which they may be better adapted. If the time ever comes when producers are assured production costs there should be qualifying clauses which would require that their own efforts should be such as to justify it through the use of efficient labor, acreage units which permit low costs and land that is adaptable to the purpose for which it is used. No one will question the motive of those who demand cost of production provided it is determined upon a sound basis. It would be easily possible to demonstrate that costs are extremely high or extremely low, depending upon the individual producer selected as

an example. Advocates of the cost-of-production plan will of necessity have to establish a working basis that is not subject to justifiable criticism from those who have the interests of farmers at heart."

Electricity An Atlantic City dispatch June 8 says: "An increase of in Homes 6.1 per cent in the domestic use of electricity during the last year has taken place, with a rate reduction of 3.5 per cent, according to figures submitted to the annual sessions of the National Electric Light Association at Atlantic City, June 7, by J. F. Owens of Oklahoma City, president. He added that total investment had jumped 4.8 per cent to a value of more than \$13,000,000,000.

Locusts in Africa An editorial in The African World for May 7 says: "The locust scourge which has descended on the African continent is producing a situation of extreme gravity. From East, West, and South comes the same story of prodigious new swarms descending on the crops of unfortunate farmers and sweeping resistlessly onward, leaving desolation in their wake. In the East African Dependencies, where settlers have already been so hard hit by economic stress, the renewed locust visitation has intensified existing difficulties, and is imperiling the financial stability of the Territories. As the Governor of Kenya pointed out in his address to the Legislative Council this week, the appalling loss inflicted by locusts is the chief cause of the Colony's financial troubles, and has placed the maize and wheat industry in such a critical position that it is probable the Colony will have to import supplies of grain, the estimated surplus available for export having dwindled to a negligible figure as a result of locust damage....The relief from the locust plague predicted by the government entomologist, who recently visited Kenya to study the problem, is unlikely to materialize, since new swarms numbering many millions have migrated from the Eastern Congo; at least two large swarms have found their way over the high escarpment of the Rift Valley, and are descending on the coffee-growing areas around Nairobi and the Kikuyu Reserve. From Northern Rhodesia comes an official statement that hatchings and new invasions from the North have occurred on so vast a scale that the authorities have been compelled to suspend operations against hoppers, with the probable result that these locusts will penetrate as far as the Transvaal. The Imperial Institute of Entomology is watching the situation closely, but the methods of combating the scourge suggested by scientists and tried out in the past have conspicuously failed, and it may be necessary to mobilize every able-bodied man and woman in the afflicted countries to fight the greatest menace which has ever threatened their prosperity."

Section 3

Department of
Agriculture

An editorial in The Utah Farmer for May 25 says: "It is gratifying to note that sections in Utah, notably those sections that have in the past depended largely on one crop, are balancing their farm program by the introduction of livestock. This work is being brought about through the untiring efforts of the Extension workers and county agents. People in general and farmers especially are slow to change their ways. Livestock on every farm has long been preached and advocated but not until one of the 'blessings in disguise' come along--one or two years of crop failure in succession--do we pay much attention to that which has been taught us. Dairy cattle have shown a considerable increase in Utah during the past few years. More feeding projects are being carried to successful completion than ever before. Livestock contributes to the stability of farming, and makes for a well balanced farm business. Livestock furnishes an income throughout the year. It distributes the labor more equally from season to season. Ordinarily, livestock, with low cost handling, will pay more for feed crops than the cash market. With livestock--dairy cows, cattle, hogs, or farm lots of sheep, it is easy to produce a little more than is needed at home. This extra production will provide cash at regular intervals."

Section 4

MARKET QUOTATIONS

Farm
Products

June 8.--Grain: No.1 dark northern spring* Minneapolis 57 1/4 to 58 1/4¢; No.1 northern spring* Minneapolis 57 1/4 to 58 1/4¢; No.1 hard winter* Kansas City 44 1/4 to 45 1/2¢; No.2 hard winter* Kansas City 44 to 45¢; St. Louis 50 1/2¢ (Nom.); No.1 S.R. Winter St. Louis 50¢; No.2 S.R. winter Kansas City 44 1/4¢; St. Louis 49 1/2¢ (Nom.); No.1 W. Wh. Portland 49¢; No.2 Am. Dur.* Minneapolis 47 3/8 to 51 3/8¢; No.1 Durum (Duluth) 50 3/8 to 52 3/8¢; No.2 rye Minneapolis 31 1/8 to 33 1/8¢; No.2 mixed corn Kansas City 29 1/2 to 30 1/2¢; Chicago 30¢; St. Louis 30 1/2¢ (Nom.); No.2 white corn Kansas City 29 1/2 to 30 1/2¢; St. Louis 30 1/2¢; No.2 yellow corn Kansas City 34 to 35¢; Chicago 30 to 30 1/4¢; St. Louis 31¢; No.3 yellow corn Minneapolis 31 to 32¢; Kansas City 33 to 34¢; Chicago 30¢; St. Louis 30 1/2¢; No.2 white oats Chicago 20 3/4 to 22 1/2¢; St. Louis 21¢ (Nom.); No.3 white oats Minneapolis 18 3/4 to 20 1/4¢; Kansas City 20 to 22¢; Chicago 20 to 21¢; St. Louis 20 1/2¢; Special No.2 barley Minneapolis 40 to 41¢; Chicago 38 to 45¢; No.1 flaxseed, Minneapolis \$1.03 to \$1.06.

Livestock: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$7 to \$7.75; cows, good and choice \$3.50 to \$5; heifers (550-850 lbs.) good and choice \$5.75 to \$6.75; vealers, good and choice \$6 to \$7; feeder and stocker cattle, steers, good and choice \$3.75 to \$6; heavy weight hogs

*Prices basis ordinary protein.

(250-350 lbs.) good and choice \$3 to \$3.30; light lights (140-160 lbs.) good and choice \$3 to \$3.40; slaughter pigs (100-130 lbs.) good and choice \$2.75 to \$3.15 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$6.25 to \$7.25.

North and South Carolina Cobbler potatoes brought \$2.75-\$3.25 per stave barrels in eastern cities; \$2.25-\$2.40 f.o.b. Washington. Alabama and Louisiana sacked Bliss Triumphs \$1.25-\$1.60 per 100 pounds carlot sales in Chicago; 75¢-90¢ f.o.b. Mobile. Maine sacked Green Mountains 70¢-\$1.05 in the East with Wisconsin Round Whites bringing 90¢-95¢ carlot sales in Chicago. Texas Yellow Bermuda onions, U.S. Commercial, 75¢-\$1 per 50-pound sacks in consuming centers. California Salmon Tint cantaloupes \$2.50-\$3 per standard 45s in terminal markets; \$1-\$1.15 f.o.b. Brawley. Eastern various varieties of strawberries closed at \$1.25-\$2.50 per 32-quart crate in city markets; f.o.b. sales at Pocomoke City were \$1.25-\$1.75 for Big Joes and Gandys and \$1.25-\$2 at Selbyville, Delaware. Florida Tom Watson water-melons, 24-26 pound average, \$490 bulk per car in New York City; \$250-\$350 f.o.b. Leesburg.

Average price of Middling spot cotton in the ten designated markets declined 11 points to 4.83¢ per lb. On the corresponding day one year ago the price stood at 7.80¢. July future contracts on the New York Cotton Exchange declined 12 points to 5.02¢, and on the New Orleans Cotton Exchange declined 10 points to 5.04¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 18¢; 91 score, 17½¢; 90 score, 17¢.

Wholesale prices of No. 1 fresh American cheese at New York were: Flats, 10 to 12½¢; Single Daisies, 11 to 11½¢; Young Americas, 11 to 11½¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 16½ to 19¢; Standards, 15½ to 16¢; Rehandled Receipts, 14¢.
(Prepared by Bu. of Agr. Econ.)

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Vol. XLV, No. 60

Section 1

June 10, 1932.

FEDERAL SALARY LEGISLATION

The press today says: "The administration's thirty-day furlough plan yesterday appeared to have slight chance of surviving as the major feature of the economy bill as conferees of the House and Senate prepared to begin consideration of the bill today. Opposition by the House bloc led by Representative La Guardia remained unaltered. Among five conferees appointed by the Senate are Senators Jones, Hale and Bratton, who voted consistently against the Moses amendment incorporating the furlough plan. The other two Senate conferees, supporters of the Moses amendment, are Senators Smoot and Broussard. Speaker Garner did not appoint conferees on the economy bill. Early in the day he named Representatives Sandlin, Ludlow and Hardy to act only on the legislative appropriation bill, to which the economy bill is attached as a rider, and announced that the two parts of the bill would be considered by different conferees. The Senate, however, refused to divide the bill, and Speaker Garner is expected today to appoint two other conferees and to delegate the five to deal with the whole bill...."

THE ARMY BILL

The press today says: "Efforts to obtain \$400,000,000 reduction in Federal expenses received another setback yesterday when the Senate, by a vote of 22 to 47, refused to recommit the War Department appropriation bill to the appropriations committee to be cut ten per cent under the figure approved by the House...."

RELIEF LEGIS- LATION

The press today says: "...In the forefront is the Wagner bill to provide \$300,000,000 for loans to States, which the Senate banking and currency committee reported June 8. Close behind is the remaining portion of the original Wagner bill, drawn up by five Democratic Senators, and from which the loans to States program was lifted bodily and made into a separate measure. It includes a \$500,000,000 bond issue for public works and authorization to the Reconstruction Finance Corporation to issue \$1,500,000,000 in debentures for loans to self-liquidating enterprises of private industry and of States and subdivisions.

"While these moves were being made in the Senate, the House rules committee decided that the House could vote next week on the Fulmer bill to use 40,000,000 bushels of Farm Board wheat and 1,000,000 bales of cotton for relief purposes. The Farm Board would be authorized to make the wheat available to the Red Cross or other designated organizations before August 1.

"At the same time, the Senate agricultural committee unanimously agreed to approve the McNary resolution which would provide 50,000,000 bushels of wheat for relief. Preferred status was also given by the House rules committee to a bill that would allow the Reconstruction Finance Corporation to make loans for crop planting and cultivation...."

NEW SWIFT HEAD

A Chicago dispatch today states that Charles Henry Swift, 54 years old, third son of Gustavus F. Swift, founder of the packing house, was elected chairman of the board of Swift & Co. yesterday.

Section 2

Back to Land Movements . . . An editorial in New England Homestead for June 11 says: "The many movements to place inexperienced city families upon farms as a relief to unemployment are not only impractical but unjust to the great body of skilled workers already on farms. It is true that farm families today are better off than thousands of those in cities but low commodity prices growing out of surplus production, or underconsumption, whichever it is, give rural communities enough trouble without further enlarging crop output by inexperienced workers, subsidized by welfare or other financial aid. When times were easier in the city than in the country no one suggested an organized and subsidized movement of farmers to go into manufacturing business in our industrial centers....Farmers are deeply sympathetic with the distressed souls in our cities and are anxious to do what they can to help. However, they have problems of their own and can not see the justice or wisdom of augmenting their own troubles with a plan that in the long run would be disastrous to the very people we seek to relieve as well as to the country as a whole."

Butter Costs and Prices . . . An editorial in The Michigan Farmer for May 28 says: "In five cow testing associations the cost of butter was reduced to 17.4 cents per pound this past winter as compared with 23.7 cents last year and 28.4 cents two years ago. How did they do it? By getting rid of the poorer cows, feeding more legumes and silage, balancing the rations with high protein concentrates, and using as much homegrown feed as possible. By cutting costs 39 per cent in two years these farmers have done much to overcome declining prices. But were the culling of poor cows as general and as thorough as it should be then the dairy situation would not be in its present predicament."

German Reparations . . . Paul Hinner, writing on "The Path of History" in World Unity Magazine for June, says: "...The payment of the reparations and of the interest on their legal debts exceed the ability of the German people. Germany has, therefore, during the last few years, borrowed the means to meet the deficit, hoping for a favorable turn in world affairs. This policy has increased the burden still more, as the hoped for relief has not materialized....The incentive to maintain and support the present political and economic institutions is vanishing, as they have ceased to be of benefit to a majority of the people. It is, therefore, only a question of time when the complete economic and political collapse of Germany must take place. This event in combination with the progressive dissolution of the individualistic civilization will have far-reaching effects. Financial failures, cessation of payment of interest on investments and continuous widespread unemployment will be the result in many countries and cause great hardships in the large cities and densely populated districts where most people depend entirely on the steady flow of wages or income from investments. A temporary relief to Germany does not alter the situation but will only postpone for a time the inevitable end and prolong the agony of dissolution, because it is impossible to avoid the consequences of previous developments...."

Maryland Farm Factors "People are evidencing their belief in farm land to a much greater degree than at any time during the last five years or more," said Chas. S. Jackson, president of the Federal Land Bank of Baltimore, at Baltimore, June 8, according to the press of June 9. "The number of inquiries for farms received daily by the bank surpasses all records and the number of sales is greater. There are several reasons for this increase in demand for farm properties. First and foremost, I believe, is the awakening to the fact that the prices of farm properties are excessively low and that farms have an intrinsic value which is rarely, if ever, dissipated, except by rank neglect or abandonment. People know that when they put their money in farm properties they have a tangible asset that they can appraise rather completely themselves and they do not have to depend upon the vagaries of a security market to tell them how much it is worth....!"

Scientific Management in Industry Nature (London) for May 21 says: "Few documents can give a clearer idea of the ramifications of rationalization in industry today than the annual Report of the International Management Institute (Geneva). The report for 1931, which has recently been issued, although confined to the work and internal administration of the institute, indicates that in spite of the difficulties created by the economic depression, the interest in scientific management and rationalization is steadily expanding and the institute's endeavors to realize the resolutions of the World Economic Conference of 1927 are having important results. The relation of rationalization to the economic crisis has attracted much attention, and, in Austria, Dr. Ernst Streeruwitz has issued an important survey of rationalization in relation to world economy, while the urgent need for economy in many quarters has raised the question of extending rationalization methods to public administration. The drastic curtailment of public expenditure since 1930 has in many countries taken place on unscientific and haphazard lines, and the reductions are likely, while seriously decreasing the efficiency of the public services concerned, to produce no lasting economies. Practically no machinery yet exists for the comparative study of public administration, and in most countries the idea of a special planning section continuously engaged in the improvement of great departments of State has yet to be born. Even in large scale industry, knowledge of the principles of organization and administration is often only superficial. Useful activities are curtailed, while waste which would pay their cost many times over proceeds elsewhere unchecked. Even in the twentieth century, administrators still tend to perform surgical operations with an axe rather than with a scalpel...."

Virginia's Budget Wilbur C. Hall, chairman of the House finance committee of the Virginia General Assembly, writing under the title "How Virginia Balanced its Budget" in Review of Reviews for June, says: "Virginia encountered the economic depression fortified with a system of financial procedure which has been well designed to promote sound economy in State expenditures. This system includes the presentation, through the Executive Budget,

of a comprehensive and intelligent periodic financial plan for the action of the General Assembly. Also, it provides for effective managerial control by the Governor over expenditures, under a unified accounting system which covers the financial transactions of every spending agency of the State government. With this budgetary control is coupled centralized purchasing procedure, and an equitable and scientific tax system for the production of the State revenue. This fiscal machinery produces accurately and completely the information required for supervision of the State finances by the Governor; and it produces this promptly, so that action can be taken when action is needed. An itemized cash statement showing receipts, disbursements and opening and closing balances in the State treasury is furnished the Governor and the Director of the Budget, at the close of each business day....The salient features of the financial plan proposed by the Governor included an increase of \$500,000 in the appropriation for the equalization of rural elementary educational opportunities, and a substantial decrease in practically all other appropriations, including a 10 per cent salary reduction for State employees for the first year of the biennium. As a precaution against a greater reduction in revenues than was provided for in the budget, the Governor was authorized by the budget bill to make further reductions on a pro-rata basis of all maintenance appropriations, if necessary to avoid a deficit during the next biennium. Thus the State is fortified in case of any grave emergency and of continuing economic depression.... Adopting in part the procedure followed by North Carolina, the highway program was modified by transferring to the State the construction and maintenance of all county highways. Incorporated in this measure is a requirement that all local tax levies for county highway purposes must be discontinued on and after July 1, 1932. It is estimated that this will involve a reduction in local taxes on real estate and tangible personal property of from \$3,000,000 to \$3,400,000. For the purpose of financing this secondary highway system, the State assumes the gasoline tax of $1\frac{1}{2}$ cents per gallon formerly allocated to the counties, and transfers \$2,000,000 annually from the State highway fund to this secondary system...."

Section 3

Department of
Agriculture

An editorial entitled "Florida--the Uncivilized," in American Forests for June, says: "...The fact remains that outside the cities in the woodland sections of Florida, private property has not been safe from the torch of the woodburner... Its demonstrated failure to control fire and thus protect private property and its own natural resources has become a tragedy of national concern. The Federal Government is spending thousands of dollars a year in the form of Federal aid to the State for fire protection, road building and agricultural research. Its three National Forests in the State are costing thousands more for administration. And lately comes the State of Florida asking the people of the United States to obligate themselves to meet the administrative and development costs of the proposed

Everglades National Park. To what end? That fire-conscious citizens from other States shall be shocked and blunted by the examples of fire carelessness, public lethargy and land abuse to be seen along the highways leading to the Park? These examples would largely nullify the educational value of the Park to the Nation. If Florida can not guarantee that these national investments within the State can be safeguarded from fire at reasonable cost, the Federal Government with the same intelligence as the business man should abandon its Florida enterprises.... The Federal Government has spent some twenty years and many thousands of dollars trying to arouse a fire consciousness among Florida people. The State Department of Forestry and The American Forestry Association, working in cooperation, have spent upwards of \$75,000 in a three-year campaign of fire prevention education. The campaign was carried into every school in every country of the entire State. The minds of children were alert and responsive. If, at the completion of the campaign, the fire question had been left with them, juvenile public opinion would have outlawed woods--burning and uncontrolled fires in field and forest. But the adult population of the State instead of furnishing example and leadership has apparently cast these efforts to the flames. And so Florida still fiddles while its store houses burn."

Section 4 MARKET QUOTATIONS

Farm Products

June 9.--Grain: No.1 dark northern spring* Minneapolis 56 1/2 to 57 1/2¢; No.1 No. spring* Minneapolis 56 1/2 to 57 1/2¢; No.1 hard winter* Kansas City 44 to 45¢ (Nom.); No.2 hard winter Kansas City 44 to 44 3/4¢; St. Louis 50 1/4¢ (Nom.); No.1 S.R. winter St. Louis 48 1/2¢ (Nom.); No.2 S.R. Winter Kansas City 43 1/2 to 46 1/2¢; Chicago 50 3/4 to 51¢; St. Louis 47 3/4 to 48¢; No.1 W. Wh. Portland 49¢; No.2 Am. Dur.* Minneapolis 46 1/4 to 50 1/4¢; No.1 Durum (Duluth) 49 1/4 to 51 1/4¢; No.2 rye Minneapolis 31 1/4 to 33 1/4¢; No.2 mixed corn Kansas City 29 1/2 to 30 1/2¢; Chicago 29 3/4¢; St. Louis 30 1/2¢; No.2 white corn Kansas City 29 1/2 to 30 1/2¢; No.2 yellow corn Kansas City 34 1/2 to 35 1/2¢; Chicago 28 3/4 to 30 1/4¢; St. Louis 30 1/2 to 31¢; No.3 yellow corn Minneapolis 30 to 31¢; Kansas City 33 1/2 to 34 1/2¢; Chicago 29 3/4 to 30¢; St. Louis 30 1/2¢; No.2 white oats Kansas City 21 1/2¢; Chicago 20 1/2 to 22 1/2¢; St. Louis 21¢; No.3 white oats Minneapolis 18 5/8 to 20 1/8¢; Kansas City 19 1/2 to 21 1/2¢ (Nom.); Chicago 20 to 21¢; St. Louis 20 1/2¢ (Nom.); Special No.2 barley Minneapolis 40 to 41¢; Chicago 38 to 45¢; No.1 flax-seed Minneapolis \$1.02 3/4 to \$1.05 3/4.

Livestock: Slaughter cattle, calves and vealers, good and choice, Chicago \$7 to \$7.75; cows, good and choice \$3.25 to \$5; heifers (550-850 lbs.) good and choice \$5.75 to \$6.75;

*Prices basis ordinary protein.

heifers (550-850 lbs.) good and choice \$5.75 to \$6.75; vealers, good and choice \$6 to \$7; feeder and stocker cattle, steers, good and choice \$5 to \$6.25; heavy weight hogs (250-350 lbs.) good and choice \$3.05 to \$3.30; light lights (140-160 lbs.) good and choice \$3.10 to \$3.40; slaughter pigs (100-130 lbs.) good and choice \$2.85 to \$3.15 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$6 to \$7.

North Carolina Cobbler potatoes \$2.75-\$3.50 per stave barrel in eastern cities; mostly \$2 f.o.b. Washington. Alabama and Louisiana sacked Bliss Triumphs \$1.25-\$1.40 per 100 pounds carlot sales in Chicago; 75¢-90¢ f.o.b. Mobile. Maine sacked Green Mountains 65¢-\$1.05 in the East with Wisconsin sacked Round Whites bringing 90¢-95¢ carlot sales in Chicago. California Salmon Tint cantaloupes \$2.25-\$3 per standard 45s in consuming centers; \$1-\$1.10 f.o.b. Brawley. Texas Yellow Bermuda onions, U.S. Commercials, 65¢-\$1.10 per 50-pound sack in city markets. Eastern various varieties of strawberries \$1.50-\$2.50 per 32-quart crate in eastern cities; f.o.b. sales at Delaware points on Euptons and Gandys bringing \$1.75-\$2.75.

Wholesale prices of fresh creamery butter at New York were: 92 score, $17\frac{1}{2}$ ¢; 91 score, $17\frac{3}{4}$ ¢; 90 score, $16\frac{3}{4}$ ¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 10 to $12\frac{1}{2}$ ¢; Single Daisies, 11 to $11\frac{1}{2}$ ¢; Young Americas, 11 to $11\frac{1}{2}$ ¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, $16\frac{1}{2}$ to 19¢; Standards, $15\frac{3}{4}$ to 16¢; Rehandled Receipts, $14\frac{1}{2}$ ¢.

Average price of Middling spot cotton in the ten designated markets declined 7 points to 4.76¢ per lb. On the corresponding day one year ago the price stood at 8.05¢. July future contracts on the New York Cotton Exchange declined 9 points to 4.93¢, and on the New Orleans Cotton Exchange declined 9 points to 4.95¢. (Prepared by Bu. of Agr. Econ.)